(iii) Eighteenth Report of the Committee on action taken by Government on the recommendations contained in the Fourth Report of the Committee on Mineral Exploration Corporation Limited.

(iv) Nineteenth Report of the Committee on action taken by Government on the recommendations contained in the Tenth Report of the Committee on Hotel Corporation of India.

(v) Twentieth Report of the Committee on Trade Fair Authority of India and Minutes of the sittings of the Committee relating thereto.

(vi) Twenty-first Report of the Committee on Indian Petrochemicals Corporation Limited—Working Results and Minutes of the sittings of the Committee relating thereto.

(vii) Twenty-second Report of the Committee on Bharat Heavy Plate and Vessels Limited and Minutes of the sittings of the Committee relating thereto.

((viii) Twenty-third Report of the Committee on action taken by Government on the recommendations contained in the Sixth Report of the Committee on General Insurance Corporation of India.

LEAVE OF ABSENCE TO SHRI R. K. NARAYAN

MR. CHAIRMAN: I have to inform Members that I have received a letter dated the 6th April, 1987, from Shri R. K. Narayan to the effect that he is having ear problem and is undergoing treatment. He has, therefore, requested for grant of leave of absence from all the sittings of the Rajya Sabha during its current session.

Is it the pleasure of the House that permission be granted to Shri R. K. Narayan for remaining absent from all the meetings of the House during the current session?

SHRI NIRMAL CHATTERJEE (West Bengal): Is it not for the Prime Minister also?

MR. CHAIRMAN: I thought you are objecting to it.

(*No hon. Member dissented*).

MR. CHAIRMAN: Permission to remain absent is granted.

ALLOCATION OF TIME FOR DISPOSAL OF GOVERNMENT LEGISLATIVE BUSINESS

MR. CHAIRMAN: I have to inform Members that the Business Advisory Committee at its meeting held on the 13th April, 1987, allotted time for Government Legislative Business as follows:—

Business	*Time Allotted*
1. The Payment of Gratuity (Amendment) Bill, 1987..	2 hours.
2. The Merchant Shipping (Amendment) Bill, 1987, as passed by the Lok Sabha ..2 hours.	
3. The Factories (Amendment) Bill, 1987, as passed by the Lok Sabha	2 hours.

The Committee on reconsideration, decided that the House should have a discussion on the working of the Ministry of Human Resource Development instead of having a discussion on the working of the Ministry of Health and Family Welfare.

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

Engagement of the U.S. Agency Fairfax Group of Government of India for the Investigation of cases of Illegal Holding of Funds by Certain Parties Abroad

SHRI LAL K. ADVANI (Madhya Pradesh): Mr. Chairman, we expected the Prime Minister to be here and that is why I had specifically addressed it to the Prime Minister, who is also the Finance Minister.

SHRI K. MOHANAN (Kerala): We want the Prime Minister because we are discussing... (*Interruptions*).

MR. CHAIRMAN: Mr. Advani, you have also been a Minister and you know that a State Minister....

SHRI LAL K. ADVANI: Yes, I am aware of that. (*Interruptions*). I will certainly proceed but...

SHRI PARVATHANENI UPENDRA (Andhra Pradesh): If the Prime Minister is busy in the other House, it is all right, but if he is available, why can't he come here? It is such an important matter. (*Interruptions*)

SHRI DIPEN GHOSH (West Bengal): Sir, I am on a point of order. (*Interruptions*).

MR. CHAIRMAN: Nothing will go on record. I have not given permission to speak. (*Interruptions*) Only Mr. Advani to proceed. (*Interruptions*) I adjourn the House for half a hour.

The House then adjourned at seven minutes past twelve of the clock.

The House reassembled at nineteen minutes past twelve of the clock, **Mr. Chairman** in the Chair.

SHRI LAL K. ADVANI: Sir I call the attention of the Prime Minister to the engagement of the U.S. Agency Fairfax Group by Government of India for the investigation of cases of illegal holding of funds by certain Indian parties abroad.

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE. (SHRI BRAHM DUTT): Mr. Chairman, Sir, according to information available with the Government, the Directorate of Enforcement authorised the FAIRFAX Group Inc. of USA to collect information in regard to investigation of certain cases of violations of the Foreign Exchange Regulation Act. As per an informal understanding the payment was to be made to the FAIRFAX Group Inc. on their procuring and making available to the Directorate clinching evidence and documents. No such information has so far been made available to the Government by the FAIRFAX Group Inc. No payment by the Government has, therefore, been made or authorised to be made so far.

A number of issues have arisen in relation to the arrangement with the FAIRFAX Group Inc. of USA. Keeping in view the public importance of the matter, Government have appointed on April 6, 1987, a Commission of Inquiry under the Commissions of Inquiry Act, 1952 to probe into the matter and to set all controversies at rest. A copy of the Notification has been laid on the table of the House today. The Commission shall complete its inquiry within a period of three months and its report will be laid before the Parliament.

SHRI LAL K. ADVANI: Mr. Chairman, Sir, during every Budget session of Parliament we in Rajya Sabha have a brief recess. This year we had been away for three weeks. I do not remember any year during the last four decades in which the recess has been so jampacked with momentous events having a very long range bearing on the affairs of the country as this recess has been. And the climatic event came just on the eve of Rajya Sabha's session. The Leader of the House, Defence Minister of the country and my colleague on my left at this time, tendered his resignation.

Sir, about a hundred years ago Charles Dickens wrote his famous

[Shri Lal K. Advani]

masterpiece, "A Tale of Two Cities." An enterprising chronicler of recent history may well sum up all these events as "A Tale of Two Enquiries." The first enquiry, the Fairfax enquiry with which we are just dealing, led to the ouster of Shri V. P. Singh from the Finance Ministry. And the second enquiry which we will be discussing in the afternoon, the defence deal enquiry, led to his ouster even from the Government. But may I Sir, through you, tell my colleagues on the Treasury Benches... (*Interruptions*)

MR. CHAIRMAN: Please. I am going to insist that the freedom of speech is maintained in this House subject to rules and regulations. Even if you have anything to object, please wait. I will give you as much opportunity as I will give to this side. Then you can give your reply. Therefore, I would make an earnest appeal to both sides not to interrupt each other.

SHRI LAL K. ADVANI: Thank you, Sir. I would speak on Fairfax. But, as I said, Fairfax has an escalating impact. It is therefore, that we from Opposition had requested that we may take up the two issues together. But you decided that we have the two issues separately—one in the morning and the other in the evening. It is fine for us.

I am sure, if my colleagues on the Treasury Benches and in the ruling party were to go out and ask the people about the impact of this, they would realise that these two enquiries put together have completely besmirched the image of Mr. Clean with which this Government started. (*Interruptions*) I knew this would be the reaction.

MR. CHAIRMAN: Don't yield to any interruptions. You go on.

SHRI LAL K. ADVANI: Mr. Chairman, I will deal with Fairfax first of all Sir, first of all, I would like to emphasise that the core issue in this controversy is not Fairfax agency or its credentials or its suitability but there are two aspects which are mentioned in the Calling Attention itself—the first one is the engagement of the U.S. agency—Fairfax Group by Government of India and the second aspect is investigation of cases of illegal holding of funds by certain Indian parties abroad. I regard the second aspect as the core issue. The first one is not the core issue. This I would like to emphasis with the greatest emphasis at my command because I believe that the Commission of Enquiry that has been instituted has not been instituted in respect of the second aspect which is really agitating the minds of the people and which ought to agitate the mind of every political worker, every Member of Parliament, and every man in the street who wants a clean polity and a clean economy. I have no means of knowing what are the dimensions of these funds except the reports that I read, the reports that appear in say, the London Economist supposed to be based on IMF reports. According to one estimate, the amount of black money that has been stashed away abroad by these economic criminals, whoever they are—however highly placed they be—amounts to something like Rs. 25,000 crores, Rs. 25,000 crores.

SOME HON. MEMBERS: Shame, shame.

SHRI KALPNATH RAI (Uttar Pradesh): Shame, shame for being American agents... (*Interruptions*).

SHRI LAL K. ADVANI: Sir, I am happy that the cry for shame has come from there also.

MR. CHAIRMAN: You are unnecessarily interrupting Mr. Advani. Allow him to make his case. Why do you interrupt?

पर्यावरण और वन मंत्री (श्री भजन लाल): सभापति महोदय, मैं आपकी रूलिंग चाहता हूं, कि जिस मैटर के लिए

कमीशन बैठ गया हो क्या उस मैटर पर डिस्कशन हाऊस में हो सकता है ? कमीशन बैठ गया और यहां पर उसी सवाल पर डिस्कशन हो रहा है (व्यवधान)

MR. CHAIRMAN: But I have admitted the motion and no point of order arises. Now, Mr. Advani please go ahead... (*Interruptions*)...

SHRI LAL K. ADVANI: Mr. Chairman, Sir, in this very House in the month of November, I think, it was on the 6th of November the then Finance Minister Shri V. P. Singh announced a scheme. It was the FERA amnesty scheme, some of us had pointedly asked: what is your assessment of the amount that has been secreted away abroad by these people? The Government said it is not possible to give any exact figures. But what he said at that time was very reassuring. I myself and my other colleagues, perhaps, Mr. Mohanan or Mr. Nirmal Chatterjee and several others had expressed misgivings at that time that what you are doing is conferring legitimacy on a very perverse kind of economic crime and that you are granting amnesty to such people. Mr. V. P. Singh told Parliament: "Since the day our Prime Minister, Shri Rajiv Gandhi said that this Government will fight tax-evaders and tax dodgers, blackmarketeers and blackmoney this Government has been at it and shall continue to be at it." And when there was further probing from opposition as to what would be the consequences of this kind of amnesty whereunder you are allowing these people to come here, the Finance Minister told us, what is happening, what am I giving to them? I am giving them nothing excepting one single advantage which is that I will not prosecute them for violation of FERA. If there are other crimes indulged in by those people; if they have done smuggling, if they have done something else and on that basis they have amassed this money, they have indulged in corruption, then they are not exempt. It is only FERA violation and there too prosecution has been stalled. Further he said, "I assure you that we will not be inactive during this amnesty period. This will be an active period of intelligence gathering." I underline *intelligence gathering*. This will be an active period of intelligence gathering. When the amnesty period is over, the infelligence agencies will swing into full action. Intelligence will be gathered during this period also." Now, I am deliberately quoting this not to defend Sh. V. P. Singh. I have complaints about Sh. V. P. Singh which I will mention later. (*Interruptions*). But all this talk about the Finance Minister not taking the Government into confidence not telling the Prime Minister what he was going about making these enquiries, and therefore even demands being made for his expulsion from the Party, leave me flabbergasted I am amazed. (*Interruptions*).

MR. CHAIRMAN: Expulsion from the party will not go on record. That is the internal matter. (*Interruptions*).

SHRI PARVATHANENI UPENDRA: Sir, what is unparliamentary in that?

SHRI LAL K. ADVANI: Sir, I am very particular.

SHRI K. MOHANAN (Kerala): Let a joint statement be issued by them.

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ): How are you concerned about our party?

MR. CHAIRMAN: I request please do not refer to any internal party matter.

SHRI PARVATHANENI UPENDRA: Sir, it is a very dangerous ruling. It is not their family affair.

SHRI H. R. BHARDWAJ: No, it is your family affair.

MR. CHAIRMAN: Mr. Advani, please go on if you think, it is right.

SHRI LAL K. ADVANI: Thank you, Sir. I have referred to this episode or this discussion in the Rajya Sabha which took place in November because I think that the Government itself had declared a policy and something was being done in pursuance of that policy. (*Interruption*).

SHRI H. HANUMANTHAPPA (Karnataka): Sir, I am on a point of order.

MR. CHAIRMAN: It is a point of disorder.

SHRI H. HANUMANTHAPPA: Sir my point is on the scope of the Calling Attention. Sir, the investigation of holding of funds by certain Indian Companies parties abroad, there is the procedure already there. The rules are already there. Investigating agencies are already there. Now, the attention of the Prime Minister is called to the engagement of a foreign agency. So, the calling attention scope is only to the engagement of a foreign agency. There are agencies in the Government. There are agencies, there are acts...

MR. CHAIRMAN: It is for the Minister in his reply to say all these things which you are saying. Please sit down.

SHRI LAL K. ADVANI: Thank you, Mr. Chairman. Now, this Parliament is not concerned, Opposition parties are not concerned with what kind of an agency Government employs to pursue its declared objective. I am personally always sceptical about foreign agents...

SHRI KALPNATH RAI: You are against foreign agents.

SHRI LAL K. ADVANI: Always. Now, if Mr. V. P. Singh were the Finance Minister today or if he were in the Government, I would have asked him whether he had examined the possibility of having this inquiry done by a local agency, by an Indian agency. I would have asked him that. But I am only saying that this is a decision taken by the Government...

SHRI KALPNATH RAI: No.

SHRI K. MOHANAN: What 'No'? This is the statement...

SHRI DIPEN GHOSH (West Bengal): You read the statement; this is the statement.

SHRI LAL K. ADVANI: The statement given today is that according to information available with the Government... (*interruptions*)

MR. CHAIRMAN: I can tell you, Mr. Advani is putting your case much better than you are doing. Please allow him to state his case. Why do you interfere?

SHRI LAL K. ADVANI: It is for the Government to decide what to do, and having done it, if it thinks that employment or engagement of this agency—and there too, one Minister says it was engaged, another Minister says it was engaged only as an informer... (*Interruption*)

MR. CHAIRMAN: Please don't interrupt.

SHRI LAL K. ADVANI: The first suggestion was that it was asked to probe something. Subsequently some contradictions were made. It was, therefore, that many of our colleagues felt, instead of our hearing a repeat version from Mr. Brahm Dutt, let us hear from the principal spokesman of the Government, the Prime Minister, and, therefore, I would be happy...

MR. CHAIRMAN: Mr. Advani, I have conveyed your request to the Prime Minister. You go ahead.

SHRI LAL K. ADVANI: We are concerned with two objectives: cleansing of the economy and cleansing of the polity. And my complaint is that by instituting a limited probe by this commission of inquiry,

you have tried to sweep the main issue beneath the carpet, you have tried to cover up the main issue. Here I have with me the terms of reference of the inquiry. I cannot remember any commission of inquiry in the past which has been asked to find out whether the Government engaged, who engaged, what the terms and conditions were, and so on. It is like asking a commission of inquiry to find out how many Cabinet meetings have been held during the last fifteen years and how many of them lasted how long. These are facts which are within the possession of the Government.

When a riot takes place, a commission of inquiry is ordered because the Government does not know what exactly led to that riot. A charge is made or an allegation is made of corruption against a particular Minister or against a particular Member or against a particular institution a commission of inquiry is ordered. I can understand that. Or, when a tragedy takes place. Some time back a tragedy took place outside India. An Air India plane exploded and a commission of inquiry was appointed. It went abroad, it went to Canada, to find out; maybe, in that course it may have sought the assistance even of local people, it may have contacted the Canadian authorities—I do not know—it may have sought the assistance of the Canadian Government—I am sure of it. But a commission of inquiry is ordered always to find out something about which the Government is not clear, the Government does not know...

AN. HON. MEMBER: Shah Commission.

SHRI LAL K. ADVANI: We were all inside the jail at that time. How do we know what happened...

SHRI H. R. BHARDWAJ: (*Interruptions*) You want Goenka to penetrate into Government?

SHRI LAL K. ADVANI: In this case, Sir, there are thirteen questions in the terms of reference and, out of these thirteen, ten or eleven can be answered on the basis of this statement itself and the relevant papers that are with them.

(*Interruptions*) *

And, Sir, I am really surprised. The Chief Justice of India have been well within his rights to say, "I cannot spare two Judges for a Commission of Inquiry of this kind."

(*Interruptions*) *

I have chosen every word with caution. I said, "The Chief Justice would have been well within his rights...".

(*Interruptions*) *

Sir, so far as I am concerned, I am keen not to allow Parliament or the country to go off at a tangent. I propose to concentrate on the principal issue and that principal issue is this: Are there any people in the ruling party close to the source of power who have stashed away foreign funds abroad? I would like to know what has been the outcome of the FERA Amnesty Scheme. If there are people on this side also, I would like to know.

(*Interruptions*) *

MR. CHAIRMAN: Do not record any interruptions. (*Interruptions*). Let no interruptions be recorded. I wish to tell the hon. Member that no aspersions of any kind shall be made on any person who is not a Member of this House, or who is not present in this House. Therefore, you will observe this rule, and please do not allow emotions to run away from reason.

SHRI LAL K. ADVANI: Thank you, Sir. So, on the face of it, as I pointed out the terms of reference, some may say that this is a pointless enquiry this will not serve any purpose. But I see a purpose behind

*Not recorded as ordered by the Chair.

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it. And the purpose is to divert attention from the main issue—and secondly, which is more disturbing, on the ground, to abort the investigation that has been set in motion—because that is crucial. I am more concerned with it. Investigations have started. If this agency is not suitable, torpedo it. But you have tarpedoed the aim also. You have not only tarpedoed the aim but you have also thrown overboard even the person who is pursuing it.

Sir, as I said earlier, I am personally sceptical of all foreign agencies. I see an advertisement of this kind. This is the London Economist. There is an advertisement by some firm, Business International volunteering to arrange a meeting with Prime Minister Rajiv Gandhi, with the Prime Minister of India. I feel ashamed that a concern of this kind... (*Interruptions*)

MR. CHAIRMAN: If somebody advertises that they will buy Advani, does it mean that you are... (*Interruptions*)

SHRI LAL K. ADVANI: I will protest. I share with you this sense of hurt. But express indignation at this.

MR. CHAIRMAN: It is not proper for you to say that. It is not correct.

SHRI LAL K. ADVANI: I am sceptical of foreign agencies.

MR. CHAIRMAN: I want to keep the level of the debate. Please keep quite, both sides.

SHRI LAL K. ADVANI: I do not know how fair or how unfair Fairfax is. But I do know that this episode is emitting a foul smell.

MR. CHAIRMAN: Maybe, it is the fox! (*Interruptions*)

SHRI LAL K. ADVANI: Maybe, I do not know. I hold no brief on behalf of any one. But it is a foul smell. Therefore, the burden of proof is shifted on the Government, on the Prime Minister, that there is no hanky-panky about the whole thing, particularly after the resignation of the Defence Minister because he instituted an inquiry against corruption. On the face of it, or *prima facie*, this is something that baffles me. The former Leader of the House has taken *Bhishma Pritigya* that he will not hold office. His lips are sealed.

SHRI DIPEN GHOSH: Who has sealed his lips?

SHRI LAL K. ADVANI: He may have sealed them himself. I respect his approach. I do not quarrel with him. I must say that loyalty to the party and loyalty to the leaders is a positive attribute which is not very common nowadays. But this positive attribute cannot be subordinated or supplanted by a person's commitment to integrity or probity in public life. (*Interruptions*) It is for him to decide. I do not come into the picture. Where we come into the picture from the opposition side is because the Government has made a certain commitment in the House about FERA violations, FERA accretions abroad. That is the Government's commitment. I am concerned with pursuing that commitment to its logical end. Therefore, Sir, I would like to raise certain very specific questions which I expect the Prime Minister to answer when he replies to the debate.

What has been the upshot of the FERA Amnesty Scheme? How many persons or companies have taken advantage of it? What is the total amount of foreign exchange that has come back to the country because of this amnesty scheme? My information is that the number is over 100 and some of them are politicians on the relations of the politicians. (*Interruptions*) Will the Minister lay on the Table of the House the full list of persons who have availed themselves of this FERA Amnesty Scheme along with

the amount that they have brought here?

Further, in the debate on FERA, the Government had assured us that the Reserve Bank of India will make proper inquiries. The Minister said, "Where the Reserve Bank is of the view that necessary permission under the Foreign Exchange Regulation Act, 1973, cannot be given, the Reserve Bank will direct the declarant to take such steps as may be necessary, and on such conditions as it deems appropriate, to bring back to India the amount involved in such transactions." What has been the action taken by the Reserve Bank of India in pursuance of this assurance?

Then, apart from what I suggest or what my colleague suggests, what does the Government propose to do to trace and punish the economic offenders who have amassed millions in foreign banks? What does the Government propose to do about it?

So far as Fairfax Inquiry is concerned, I would like to know from the Government the existing arrangement. Is the arrangement with Fairfax still existing or has it been revoked? The Fairfax people claim that their assignment has not been revoked; that their engagement is still on. What is the position in that regard? What is being done in pursuance of this engagement?

Lastly, in the course of these happenings there has been an allegation made that the C.B.I. has produced a forged letter or rather two letters. From where did these letters come?

SHRI N. K. P. SALVE (Maharashtra): Where did they produce them?

SHRI LAL K. ADVANI: They produced them in the court. There are reports about them. If the reports are wrong, let the Minister say so. The credibility of the C.B.I. is at stake. If the C.B.I. produces forged letters, the credibility of the whole Government of India is at stake. Therefore, it would be proper that the Government comes out with full facts.

SHRI H. R. BHARDWAJ:*

MR. CHAIRMAN: What the Law Minister has said will not go on record. I have said that no names should be mentioned. You broke my rule. You broke my rule. (*Interruptions*).

SHRI LAL K. ADVANI: Sir, in the course of this discussion about FAIRFAX a word that has been repeatedly used, repeatedly by so many people, is the famous word Watergate. Of course, so far as America is concerned, Watergate symbolises the worst kind of scandalous conduct by people in high office. I remember reading a book by Theodore White "The fall of Richard Nixon". I would like to give a small quotation from that book in which Theodore White said: The true crime of Richard Nixon was that he broke the faith that binds America together. The faith he broke was critical that somewhere in American life there is at least one man who stands for law. No matter how the faith may be betrayed elsewhere by the ugly promises of daily striving at one particular point, the Presidency, it is beyond the possibility of a fix."

Now, Sir, I would like to remind my colleagues on that side that when in 1984 the new Government took office, even though it was a Congress Government, and earlier Congress Governments had different reputations good, bad, indifferent, this Government started on a very positive point, namely, that this Government would be a clean Government.

AN HON. MEMBER: It sticks to it.

SHRI LAL K. ADVANI: Very good. I would be very happy it it does. An appellation that Pandit Nehru also

*Not recorded as ordered by the Chair.

[Shri Lal K. Advani]

did not get from the people, an appellation that Lal Bahadur Shastri or Morarji Desai or Mrs. Gandhi did not get, that appellation got stuck to the present Prime Minister, Mr. Rajiv Gandhi, namely, that he is Mr. Clean. Now, this impression was further strengthened, reinforced, when the Prime Minister delivered his presidential address at Bombay at the time of Centenary Celebrations in which he made some very forthright observation. He criticised the opposition first, but when he went on to talk about the Congress Party, this is what he said. He said, "Our Congress workers who faced bullets of British imperialism run for shelter at the slightest manifestation of caste and communal tensions. We talk of high principles and lofty ideals needed to build a strong and prosperous India, but we obey no discipline, no rule, follow no principle of public morality. We display no sense of social awareness, show no concern for the public weal" and then the Prime Minister as the President of the Congress Party went on to say...

AN HON. MEMBER: Is it in order, Sir?

MR. CHAIRMAN: I am very carefully watching. I will not allow anything which is not proper. This is Prime Minister's public statement.

SHRI LAL K. ADVANI: He said, "corruption is not only tolerated but even regarded as the hall mark of leadership." It is this that reinforces the image. Sir, I am unhappy to say but I am constrained to say that this image of Mr. Clean lies in a shambles today.

SOME HON. MEMBERS: No, No,

SHRI LAL K. ADVANI: And, therefore, I demand two things.

THE MINISTER OF STATE IN THE DEPARTMENTS OF YOUTH AFFAIRS AND SPORTS AND WOMEN AND CHILD DEVELOPMENT IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRIMATI MARGARET ALVA): This is wishful thinking.

SHRI LAL K. ADVANI: Number one, so far as the FAIRFAX episode is concerned, there are documents in possession of the Government. There-
1.00 P.M. are letters issued by the Government of India to the Fairfax agency; there are replies received from the Fairfax agency by the Government of India. And according to the reports by the Fairfax, they have supplied certain significant information to the Government of India. I do not know. I would like the Government to come out with a White Paper on all these issues relating to foreign funds abroad, or its dealings with the Fairfax agency and publish all these documents and present it on the Table of the House. This is my first demand, because once these are presented, then a Parliamentary Committee would be the right manner of pursuing both the issues, namely foreign funds abroad, as well as how the Government has dealt with the Fairfax agency. Thank you.

MR. CHAIRMAN: Mr. Dipen Ghosh. Now the speaker will take only 15 minutes each.

SHRI DIPEN GHOSH: Mr. Chairman, I have gone through the statement just now given by the Minister of State in temporary charge of Finance. I had also already gone through his statement made in the other House on 31st March. The differences between the two I shall point out later. But, in the meantime, Sir, the engagement of a U.S. economic intelligence agency to help the Finance Ministry in tracking down the Indians having illegal funds abroad now snowballs into a serious crisis with wider ramifications. This also casts a greater shadow on the very functioning of the Government. Sir, it is reported in the press that

the Prime Minister was understood to have stated in the Executive Committee Meeting of the Congress Parliamentary Party day before yesterday that he...

SHRI KAPIL VERMA (Uttar Pradesh): *How do you know?*

SHRI DIPEN GHOSH: It is reported in the press... (*Interruptions*).

SHRI RAOOF VALIULLAH (Gujarat): Why are you quoting the newspapers? Everybody has read it.

MR. CHAIRMAN: You don't say 'in the Working Committee'; you say "it is reported".

SHRI DIPEN GHOSH: For Mr. Verma—still he belongs to Hindustan Times—I quote from Hindustan Times; and that is very close to the ruling party.

MR. CHAIRMAN: You merely say it is reported.

SHRI DIPEN GHOSH: Yes, it is reported in the press that the Prime Minister is understood to have stated that he, the Cabinet Political Affairs Committee and the members of the Cabinet, and also the members of the Council of Ministers were all slighted and kept in the dark for a long time before the Fairfax episode and the Defence deal erupted in the form of a major crisis. Sir, if it is true—I start with the sentence 'if it is true—and what appeared in the press is true, does it not betray a greater malady that afflicts the ruling party and the Government at the Centre? Sir, does it not indicate that there is no collective functioning in the Union Cabinet? Sir, does it not betray the failure, or for that matter the inefficiency of the Head of the Government, the leader of the team told the members of the team together? Can the Prime Minister get away by blaming a single individual? This is the question. The Prime Minister must accept the collective responsibility in regard to the functioning of the Central Government and, for that matter, the Union Cabinet. If there was any wrong or irregularity in appointing the Fairfax group, if there was anything wrong or any irregularity in asking a U.S. intelligence agency to help the Union Finance Ministry in tracking down certain Indians having illegal funds abroad, the Prime Minister, as the head of the Government, must own the responsibility for that irregularity. He cannot get away by blaming one individual, by saying that all in the Cabinet were slighted by one individual. Had it happened in any other country, where there is Parliamentary democracy, the entire Government would have resigned and sought a fresh mandate.

AN HON. MEMBER: Does it happen in China?

SHRI DIPEN GHOSH: I wish to believe...

(*Interruptions*)

I wish to believe that you do not want to cover up anything under the carpet. I wish to believe that you still wish to remain as Mr. Clean and retain the image of cleanliness in regard to the functioning of the Government. If you have the courage, resign from the Government and seek the people's mandate on this issue alone.

(*Interruptions*)

If you have the courage, you should resign and seek a fresh mandate from the people on this issue alone. Therefore, Sir, as the situation has developed today, it is the responsibility of the entire Central Government, for that matter, the Prime Minister, as the head of the Government, to own the responsibility.

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): Of what?

SHRIMATI MARGARET ALVA: The whole of India is not Bengal.

SHRI DIPEN GHOSH: You owe an explanation to Parliament. That is why, we requested you, Sir, that the Prime Minister should remain during the debate to give replies to our points.

(*Interruptions*)

You cannot reply to this * * *

SHRI H. R. BHARDWAJ: We are Indians

(*Interruptions*)

SHRIMATI MARGARET ALVA: We do not function from Beijing.

SHRI LAXMI NARAYAN (Delhi): We are happy.*** But what about you***

(*Interruptions*)

SHRI GURUDAS DAS GUPTA (West Bengal): Sir, on a point of order. Can a Member of Parliament say***

**Is it parliamentary? I want a ruling from you.

(*Interruptions*)

MR. CHAIRMAN: I will look into the records and if there is anything wrong, I will remove it.

कृषि मंत्रालय में ग्रामीण विकास विभाग में राज्य मंत्री (श्री रामानन्द यादव): मेरा प्वाइंट आफ आर्डर है। क्या कोई माननीय सदस्य किसी दूसरे माननीय सदस्य को यह कह सकता है कि वह स्लेव है किसी मेम्बर का या किसी मिनिस्टर का? (व्यवधान)

SHRI DIPEN GHOSH: The Minister is on a point of order. You just dispose it of.

SHRI H. R. BHARDWAJ: What dispose of? Have some manners.

SHRI DIPEN GHOSH: If my attribution is wrong, why do they shou Let them remain quiet. (*Interruptions*).

MR. CHAIRMAN: The word* occurring at any place may be withdrawn.

SHRI DIPEN GHOSH: All right. I replace the word* Does it satisfy you?

SHRIMATI MARGARET ALVA:*

SHRI RAOOF VALIULLAH: ** (*Interruptions*).

SHRI H. R. BHARDWAJ: He does not know proper language to be used.

SHRI DIPEN GHOSH: Since 31st March I have observed that the Prime Minister as head of the Government, instead of owning the responsibility, has sought to get away by blamin one individual or the other.

SHRI P. N. SUKUL (Uttar Pradesh): Where did he blame?

SHRI DIPEN GHOSH: This is my observation. If you have anything to say, you can say it when your tu comes. (*Interruptions*). Let the Prime Minister come and reply.

SHRI P. N. SUKUL: He is saying on the basis of what transpired in a confidential party meeting about which he knows nothing and he is imputting motives. How can you say that? Mr. Prime Minister has never said it... (*Interruptions*)

MR. CHAIRMAN: Somebody is going to speak on belhalf of the Government. He can say that it is not correct.

SHRI H. R. BHARDWAJ: But we are also human beings. They cannot say anything that is nonsense.

MR. CHAIRMAN: I have already said that I will look into it and remove it.

SHRI H. R. BHARDWAJ: You may tell him to use proper vocabulary.

*Expunged as ordered by the Chair.

MR. CHAIRMAN: I have already said that I will remove the word and Mr. Dipen Ghosh has also been kind enough to accept it.

SHRI DIPEN GHOSH: Sir, I have quoted from the press and the ruling party, Mr. Sukul or anybody else has the liberty to deny it. He can deny and release the denial in the press, instead of denying here. Certain names, including that of Mr. Sukul, have come out in the press. You can take advantage of that and issue a denial today. But until and unless..

SHRI DEBA PRASAD RAY: (West Bangal): Shri Jyoti Basu has said that V. P. Singh has resigned because he has proved to be a failure. It has appeared in the Ananda Bazar Patrika. (*Interruptions*).

MR. CHAIRMAN: No interruptions to go on record.

(*Interruptions*)

If any person, who is not in the House, is referred to in a derogatory manner, I will remove it.

SHRI DIPEN GHOSH: I have not seen such a thing. As soon as I see a denial coming from the Prime Minister who presided over that meetting, I will surely accept it. But until and unless this denial appears in the same press, I am entitled to quote from the press. But if Mr. V. P. Singh had committed any impropriety by keeping the Prime Minister or other colleagues of his Cabinet in the dark about certain orders of investigation he had made as Minister of Finance or as Minister of Defence, though it is the internal affair of the Cabinet, the Prime Minister also has been committing the same impropriety by keeping Parliament and the people in the dark about the information which the Government is already in posssession of.

SHRI PAWAN KUMAR BANSAL (Punjab): Take the information from Mr. Advani.

SHRIMATI MARGARET ALVA: We have no information.

SHRI DIPEN GHOSH: And my demand is, it is also apparent from the scripted statement which Mr. Brahm Dutt has given just now, that whatever information, not about the appointment of Fairfax agency but about the persons or the firms in whose economic activities investigations were made, or informations were sought to be collected about the investigations, in the language of Mr. Brahm Dutt, all these informations have to be placed before Parliament. Parliament is entiteld to know, Parliament is the supreme authority in the Constitution to see who is right and who is wrong. Whatever information the Government are in possession of about certain Indians depositing illegal funds abroad...

SHRI JAGESH DESAI (Maharashtra): It is in the statement. There is no information.

SHRI DIPEN GHOSH: Mr. Desai, all right, if it is in the statement that there is no information, it is in the terms of reference. Again I will come to that. If I am to believe what is there in the statement itself, then what about the appointment of Commission of Inquiry and its terms of reference—whether the Fairfax agency was at all appointed; if so, by whom and under whose authority, in what circumstances; whether information was made available to the Government; whether Government has received any information; whether any payment was made. To judge all these things, to enquire into all these things, this scripted statement contains all these things, yet what for the Commission of Inquiry has been appointed, would Mr. Jagesh Desai enlighten me?

SHRIMATI MARGARET ALVA: You have the information. You share it with us.

SHRI DIPEN GHOSH: Don't betray your cumbersomeness.

MR. CHAIRMAN: Mr. Dipen Ghosh, address the Chair.

SHRI DIPEN GHOSH: Sorry, Sir.

SHRI RAOOF VALIULLAH: He has nothing more to say. Say something concrete.

SHRI DIPEN GHOSH: Therefore, Sir, the appointment of a judicial Commission of Inquiry does not absolve the Government of the duty to disclose to Parliament all the evidence it possesses on Fairfax episode, including its alleged CIA links. But it appears, Sir, the Government is still not inclined to give Parliament right to information. The issues involved have high political overtones and judiciary has got nothing to do with it. If you go through the terms of reference, you will see, as my colleague, Mr. Advani has already stated...

SHRI RAOOF VALIULLAH: Get the information from Mr. Advani.

SHRI DIPEN GHOSH: Don't turn Parliament into a general body meeting of your party. So, Sir, if you analyze, the Government notification you will see that the Inquiry Commission has been appointed to inquire into certain specific aspects which Mr. Brahm Dutt has already replied in today's statement, only barring one. I am going to that point. Barring one, that is, the last one—"Was the security of India prejudiced in any manner in making such arrangements?" Because, whether Fairfax was at all appointed or not, if appointed, by whom, under whose authority, in what circumstances?—all these have been already dealt with. Whether any payment has been made or not, this has also been dealt with—in the statement The only one aspect which is left out in this statement is the last one —"Was the security of India prejudiced in any manner in making such arrangements?" ... (*Interruptions*)

Mr. Chairman, Sir, you have enough experience—wider experience— in various capacities. Mr. Shiv Shanker is here. Various legal luminaries are also on the other side—Mr. Masodkar and other. This is a political issue. Whether by engaging a particular agency the security of India is fraught with the danger of being undermined, who will judge? Two Judges of the Supreme Court? And Parliament will be slighted? From the construction of the terms of reference as such, it appears that there is a *prima facie* apprehension in the mind of the Government and that is why, because there is a *prima facie* apprehension that by engaging this particular agency the security of India is fraught with the danger of being undermined, it has been included in the terms of reference. And it is a judicial inquiry Commission. What will the judiciary do? Two judges, either agreeing or disagreeing, what will they say? Even if they say. "Yes, it endangers the security of India", by that will the controversy be set at rest? What Mr. Shiv Shanker will say, because in the terms of reference it has been mentioned...

SHRI PARVATHANENI UPENDRA: Why drag him?

SHRI DIPEN GHOSH: I quote: "Whether the Central Government is of the opinion that it is necessary to appoint a Commission of Inquiry for the purpose of making an inquiry into such a matter to set all controversies at rest?" Will it do so? Or will it increase the controversies? (*Time bell rings*) So, Sir, in this particular aspect if there is an iota of truth in the apprehension, the judiciary has got nothing to do with it. It is purely and simply a political issue and that political issue has to be discussed in Parliament.

Mr. Kalpnath Rai is one of my best friends and he always runs after the CIA links, perhaps because of his past socialist associations... (*Interruptions*)

SHRIMATI MARGARET ALVA: You are not worried about it.

SHRI DIPEN GHOSH: But the point is, yes, the CIA is at work to

destabilize our country, the CIA is at work in Punjab, in Jammu and Kashmir, in Darjeeling, in Mizoram and in certain north-eastern parts of the country. The CIA is at work behind the religious fundamentalists. From this side whenever we have said that the foreigners were behind Punjab, Gorkhaland and all other such activities, every time we have heard from the other side that "you always magnify the foreign hands".

SHRI KALPNATH RAI: You are correct. You are speaking the truth.

SHRI DIPEN GHOSH: It is ironical. (*Interruptions*) Sir, it is on record. I can show the records. During the last three or four years we have been saying from this side that the foreign hands were behind all these destabilising activities.

SHRI KALPNATH RAI: I agree.

SHRI DIPEN GHOSH: At that time efforts were made from the Treasury Bench, from the ruling party to say or rather to accuse Opposition and particularly the Communists that we were obsessed with a certain kind of CIA link, CIA activity this way or that way. But ironically today when an enquiry was ordered against certain Indians amassing funds in foreign banks illegally, the bogey of CIA links has been raised by those very persons some of whom are close to the CIA. (*Interruptions*)

Sir,...now I come to the moot question.

MR. CHAIRMAN: All right. Three minutes.

SHRI DIPEN GHOSH: I can silence them.

MR. CHAIRMAN: Don't. (*Interruptions*)

SHRI DIPEN GHOSH: Sir, I agree, it is reprehensible that without enquiring about the status of a particular agency, intelligence agency, a foreign agency, particularly an American agency was appointed. When did the Central Government come to know that Fairfax—this is my specific question—an American intelligence agency was authorised to collect information about the investigation of certain funds illegally amassed in foreign banks? Even after knowing that, as it appeared in the terms of reference, how was the then Finance Minister, Mr. Vishwanath Pratap Singh, shifted to the Ministry of Defence as the Minister of Defence when an avowed enemy was massing troops on our border? Let the Prime Minister come and reply. When he was busy preparing the Budget to be presented before Parliament, he was shifted to the Ministry of Defence as Minister of Defence. At what time? At least in that meeting I was present. At what time? When an avowed enemy of our country, backed by the CIA, backed by the American imperialism was massing troops. In reply in this House to a question on the shifting of the Finance Minister to the Defence Ministry, the Prime Minister stated that because of his capability or efficiency he was shifted to that Ministry.

SHRI K. MOHANAN: The Prime Minister conceded his inability, incapacity.

SHRI DIPEN GHOSH: How could the Government justify the transfer of Mr. V. P. Singh from the Union Finance Ministry to the Defence Ministry?

श्री कल्पनाथ राय : यह तो प्राइम मिनिस्टर का प्रेरोगेटिव है। . . . **(व्यवधान)**

SHRI DIPEN GHOSH: Sir, if they don't stop, I am not going to conclude. You tell them not to interrupt... (*Interruptions*).

MR. CHAIRMAN: Why are you objecting? Look here, the Prime Minister is coming to the House. He is going to participate. His questions are addressed to the Prime Minister. The Prime Minister will take care.

DR. (SHRIMATI) NAJMA HEPTULLA (Maharashtra): Just a minute, Sir.

MR. CHAIRMAN: Dr. Najma, the Prime Minister can take care of himself much better than you can take.

DR. (SHRIMATI) NAJMA HEPTULLA: That is not the point. The point is...

MR. CHAIRMAN: The point is you can come and discuss in my room. Please sit down.

DR. (SHRIMATI) NAJMA HEPTULLA: Can they talk anything irrelevant? Can they talk whatever comes to their minds?

SHRI DIPEN GHOSH: Madam, I am sorry to say that you lost the job of Deputy Chairman to become a General Secretary of your party. Whether it is relevant or irrelevant, the Chair is there. (*Interruptions*). Madam, Chairman is here, he will judge whether I am talking relevant or irrelevant, but not you.

SHRI YOGENDRA MAKWANA: Sometimes we have to help the Chair also.

SHRI DIPEN GHOSH: Sir, my colleague, Mr. Advani has already said the particular point, the moot point—who is to be probed, what is to be probed, that is missing in the terms of reference of the enquiry commission.

Sir, you know how our country is facing a resource crunch, as a consequence of which, various important projects vital to the needs of the people are either not being implemented or not undertaken. There is an IMF report to which my hon. friend, Mr. Advani has referred that in one single year, that is, 1985, certain Indians had siphoned off as much as Rs. 393 crores and deposited in foreign banks, Swiss banks.

AN HON. MEMBER: How do you know?

SHRI DIPEN GHOSH: It is in the IMF report. It is in the hands of the economic intelligence agency of the Ministry of Finance. The Ministry is in the possession of the IMF report. Sir, are not Parliament and the people entitled to know who are those Indians? They may be individuals or may be collective firms. But who are those Indians who are indulging themselves in these anti-national activities?

The other day, the Prime Minister is reported to have stated that he did not understand why the Finance Ministry had mixed up itself in the rivalry between two businessmen. I agree. I am also not interested in this battle between the wife and mistress of the ruling party. As a representative of the people I am entitled to know whether someone dear or near to the powers that be are privy to this loot. (*Interruptions*)

MR. CHAIRMAN: Thank you. You have finished.

SHRI DIPEN GHOSH: I will take only one minute.

MR. CHAIRMAN: Nobody should disturb him. He has got only one minute.

SHRI DIPEN GHOSH: Sir, may I also know from the Government, whether any member of the present Council of Ministers had ever got or still maintains his share in one of these two fighting businessmen?

MR. CHAIRMAN: Mr. Brahm Dutt did not hear your question properly. Please repeat.

SHRI DIPEN GHOSH: I said, I am entitled to know as an elected representative of the people, whether anybody dear or near to the power that he has been privy to the loot and whether any Member of the Council of Ministers has any share in any one of these two fighting business houses. Lastly I would join my colleague, Mr. Advani to demand a White Paper containing all these informations to be laid on the Table of Parliament and also to set up a Parliamentary Committee to assess and examine those papers and informations, whatever they have have got and to order for a probe into the illegal funds amassed in foreign banks by certain

Indians and the instrument of such inquiry to be decided by that Parliamentary Committee. Thank you, Sir.

MR. CHAIRMAN: Now, the House will not adjourn for lunch. It will continue to sit. It does not mean Members should not have lunch, You can all have.

SHRI NIRMAL CHATTERJEE (West Bengal): Sir, for half an hour.

MR. CHAIRMAN: I am in your hands. If you say that we have to adjourn for lunch, then I will adjourn. (*Interruptions*). Please allow the Chair to complete. It was agreed in the Business Advisory Committee that in view of the importance of the subject, there will be no lunch interval. Now, Mr. N. K. P. Salve.

SHRI N. K. P. SALVE: Sir, with rapt attention, I have heard the speeches of the two distinguished leaders of the Opposition. So far as Advani Ji is concerned, unfortunately, he has gone away for lunch. I could not help but feel terribly amused at the way he was trying to praise Mr. Vishwanath Pratap Singh for his functioning as the Finance Minister.

[**The Deputy Chairman** in the Chair.]

Madam, very strange bonhomie, camaraderie and friendship are established as a result of political expediency and as I found, Advani Ji levished praises on Shri Vishwanath Pratap Singh on his working as Finance Minister. I narvelled at all those who supported him to-day but rebuked him when he was working as Finance Minister. When he was rebuked for what he did as Finance Minister, they called him an agent of the economic offenders, called him a person who was all out for a sell-out to the rich, at that time, we stood by him, the Congress party stood by him solidly for the excellent work he has done as a Finance Minister. But today, we are all villains and opposition seems to have become his friends. It is only an irony of fate. This is the worst type of political expediency that one can ever think of... (*Interruptions*). Sir, Advaniji has fortunately come back. I referred to your bonhomie, camaderie and friendship with Mr. Vishwanath Pratap Singh as a matter of political expediency because, today you are lavishing praises, but when he was doing the actual work, it was we who supported him. Today, you seem to find in him camaraderie and bonhomie. I do not know whether he accepts it or not. The second thing which you were trying to make is that the probe is not adequate. You appear to be extremely half-hearted so far as probe by two Judges is concerned. Perhaps, Mr. Dipen Ghosh was a little more emphatic. He wants a Parliamentary probe. You were utterly half-hearted. Faintly you suggested that this probe by the Judges would not do justice. I will come to it a little later. Probe by a Parliamentary committee *vis-a-vis* probe by the Judges, to that I will come a little later. Advaniji said this probe is not adequate and then he asked whether the money stashed away by the economic offenders is sought to be glossed over, it is sought to be glossed over despite the report of Fairfax, because it is not covered by the inquiry. Very respectfully I would draw his attention to terms 2, IV and V of the reference to the Commission—"What information, if any, has Government of India received from Fairfax Group Inc? What information, if any, has been made available by the Government of India to Fairfax Group Inc.? If Fairfax Group Inc. has given even an iota of information about any economic offences and about monies being stashed away in Geneva, I have no doubt in my mind, this commission will have no option but to make it public and to bring it on record. In which manner, have you suggested? You and Dipen also said that the probe is not adequate...

SHRI LAL K. ADVANI: If you yield, I can explain. My concern is with the foreign funds, the funds abroad; I am not concerned with

[Shri Lal K. Advani]

Fairfax at all. I have already suggested...

SHRI N. K. P. SALVE: So are we.

SHRI LAL K. ADVANI: And this probe is concerned only with Fairfax.

SHRI N. K. P. SALVE: So are we. And so far as Fairfax is concerned, commission of inquiry that could not be roped in here. You cannot pass that liability of investigating foreign holdings on to the Judges... (*Interruption*) Please be unsparing on the Finance Ministry, when it comes to economic offenders, if it is not strict. It is we who have brought about this policy, it is we who supported the policy of the Finance Minister on this proposal as a result of which so much of money has come to the kitty of Government. When the foreign exchange amnesty was announced, you were critical of him. It is we who were responsible for bringing the economic offenders to book...

SHRI LAL K. ADVANI: Whom have you brought to book?

SHRI N. K. P. SALVE: I wish to make it clear. This is not only my view; this is the view of my party and I emphatically repeat, however, high and mighty, one is guilty of tashing away money...

SHRI LAL K. ADVANI: It is only because they are high and mighty. Shri V. P. Singh is out today.

SHRI N. K. P. SALVE: I want to reiterate and reiterate emphatically that in the party there is not a single person who wants to shield, who wants to help or who wants to cover up, an economic offender. It is we who brought the economic offenders to book. If, however, the methods are inadequate, please tell us and we will support you...

SHRI DIPEN GHOSH: First let there be a self-disclosure.

SHRI M. S. GURUPADASWAMY (Karnataka): Why was Mr. V. P. Singh hounded out?

SHRI KALPNATH RAI: Why did you remove Charan Singh?

SHRI LAL K. ADVANI: Is he in the same category? You have given the right example! Charan Singh and V. P. Singh, you put them in the same category! Wonderful!

SHRI N. K. P. SALVE: I never interrupted anybody. I would crave indulgence of listening to our viewpoint. Maybe, we are not right; maybe, we are wrong. Please listen to us. It is an important debate you have raised. Please listen to us. Dipen Ghosh referred to deliberations in the party executive committee in his speech. His observation sounded somewhat like a sermon, I thought "on how to trengthen parliamentary democracy." With great respect I will only submit, please decide what is good for you and your party, Dipen; so far as what is good for us and for our party, what is good for parliamentary democracy, kindly leave it to us...

SHRI DIPEN GHOSH: I did not say for your party. I said for the Government, for the collective responsibility of the Cabinet.

SHRI N. K. P. SALVE: When we disagree, let us agree to disagree...

SHRI DIPEN GHOSH: Perhaps you have not heard me; I have said about collective functioning of the Cabinet, not of your party.

SHRI N. K. P. SALVE: I am coming to that aspect of the matter. But you unfortunately relied on an extremely distorted version in the print media of the proceedings in the Executive Committee meeting.

SHRI DIPEN GHOSH: But you came out with a statement in the Press.

SHRI N. K. P. SALVE: I want to go on record, Madam, and I am making a statement. I was present in the meeting and one thing that happened there, whatever might have been the divergence of views on the issue the Prime Minister said, that in the midst of the worst provocations the party has to act with dignity and restraint and fairness. (*Interruptions*). That is the authentic version.

Madam, I want to go on record in this House. My name was reported in all the papers and by the agencies saying that I asked for the expulsion of Mr. Vihwanath Pratap Singh. Contrary to this, I vehemently pleaded that Mr. Vishwanath Pratap Singh should not be expelled and I said that we should not do something, we should not do anything—I vehemently pleaded—which may look like a precipitate action, action based on vengeance and vindictiveness. This is the credibility, this is the probity, so far as Press reporting is concerned. Because what they know is all based on conjectures and inferences and they rely on entirely wrong material and they put up the story. For God's sake, do not worry about our party. Our party was never so united and never so strong as it is today because the party realises... (*Interruptions*) ...If you do not know anything of our party, I wish to give you a gist or some reporting of what transpired in the general body meeting today. Our party realises today, we realise, that the country will be in sheer ruins if the Congress Party is weakened and the party will be irreparably damaged if the leadership of Rajivji is weakened. (*Interruptions*). This is the heart of the matter, so far as the party is concerned.

Now, Madam, I will come to what I have to submit on the motion which is before the House. Madam, it is really difficult to understand. Certainly I am not one of those who would like to use any unrestrained and abusive language against the person of Mr. Vishwanath Pratap Singh. The other day, he sat here as the Leader of the House and he sat with great dignity and responsibility. I am, therefore, greatly anguished and distressed, over some of his actions which not only do I disapprove of, but also I consider extremely dangerous to the cardinal norms and principles of joint responsibility of the Union Cabinet. (*Interruptions*). The concept of collective responsibility, Madam, has been outraged by his demeanour and it surprises me and it distresses me a great deal.

Madam, so far as the Fairfax inquiry is concerned, Mr. Advani has very rightly said: "Is it not childish to refer some of these matters to a Commission of Inquiry when actually it is for the Government to come out?". I entirely agree with him. It is virtually childish to raise these issues. But, Mr. Advani, who raised these issues? Did we raise them of our own volition, of our own choice? You raised the childish issues and we referred them to a Commission. (*Interruptions*). This was raised by you.

SHRI LAL K. ADVANI: But the terms of reference have been drafted by you.

SHRI N. K. P. SALVE: Certainly, they have been drafted by us Madam, I did not say that the drafting is his. You raised the issue and the terms have been made out by us. Who raised the issue and on what basis they were drafted? They were not drafted in a vacuum. The Government has information and the information has been given. Despite all that, what was the great debate that has been raised? Was Fairfax appointed as an informer or as a agent, agent in the legal concept

[Shri N. K. P. Salve]

You are a lawyer, Mr. Advani, and you know. Who raised all these issues in the House? If we do something on something which you raised, you call it childish and if we do not do anything because they are childish, then they say we are running away because they are childish, then they say we are running away from the harsh reality. It is very difficult, Madam. Let there be maturity and let there be understanding. And, if you are really worried about the moneys having been stashed away, one thing that should not have been done is to rely on Fairfax. The firm of Fairfax has very dangerous connections. Madam, I was reading "The Statesman" and "The Statesman" had something to report on this and I was alarmed to read "The Statesman". "The Statesman" is at least one paper which you cannot accuse of being kind to us. Madam, I quote from the Statesman of 15th April:

> "The question that looms large in the public consciousness today is whether Fairfax is a covered instrument of the American CIA. True, Mr. Hershman's involvement in the Watergate enquiry and his own connection with US State Department do appear to raise questions that are unlikely to produce definite answers, and the CIA's own unsavoury track record in various third world countries is bound to arouse nervousness."

We did not know that Fairfax was connected with Watergate. We did not know that Fairfax was connected with U.S. State agency. We did not know that it was connected with CIA. And this is reported in the paper which is never fair to us. How did we go into the clutches of such people? I am sure, consciousnessly Vishwanath Pratap Singhji would never get into the clutches of these people. But he allowed the bureaucrats, his officers are going to pull him by the nose, he has committed a grave error. (*Interruptions*)

SHRI LAL K. ADVANI: The Minister at that time had owned the responsibility.

SHRI N. K. P. SALVE: I have no doubt in my mind that any man working in Rajiv Gandhi's Cabinet, if possessed of his rational faculty, who knew these facts about the Fairfax, would never want to touch it with a 20-feet barge-pole. (*Interruptions*).

SHRI JASWANT SINGH (Rajasthan): He was your leader With all respect, I submit to you that you are suggesting that he is not possessed of rational faculty. Incredible! Please reflect on the choice of words.

SHRI N. K. P. SALVE: Madam, the difficulty is that even though we listened to their viewpoints with rapt attention, quietly, they are not willing to listen. Maybe we are wrong here and there. But kindly listen to what we have to say. I maintain, Madam, that nobody in the Government would never have touched this company with a 20 ft. barge-pole, about which the Statesman has written today. This is not our paper which has written about them. But the crucial question that arises is that, as earlier I referred to this, as it has appeared in the newspapers, it is the bureaucats in the Ministry who have established contacts with these people with the help of certain third parties. They were perhaps engaged in competition warfare of two business houses. Well, let them kill themselves. We have nothing to do with them. We have no love for them. But that Finance Ministry should become an instrument and tool in the hands of two warring companies... (*Interruptions*) I submit, Madam, that it is something

which is completely below the dignity of the Government it does not behove.

SHRI SUKOMAL SEN (West Bengal): It is a voluntary disclosure of a wrong action. It is too much, Madam.

SHRI N. K. P. SAVE: Madam, it is we who are determined to unearth the entire black money. It is we who have supported his every action he has taken to unearth black money, violations of FERA, and so on. We have stood by him always. What prevented him from taking the Prime Minister into confidence over these matters? Rather, he trusted a set of people, dishonest tycoon, Press baron and professional black-mailer. This is what the paper... (*Interruptions*)

SHRI JASWANT SINGH: It is a very substantial question that has come up. I am on a point of order, an important point of order, a very simple point of order. A serious charge is made against a former member of the Cabinet, that that member of the Cabinet failed to discharge his collective responsibility and failed to keep the Prime Minister informed about the matter. Whatever be the matter. The charge is simply this that in the functioning of the collectivity of the Cabinet, a senior member of it has failed to...

THE DEPUTY CHAIRMAN: There is no point of order.

SHRI JASWANT SINGH: I have not finished. It is a very serious matter.

THE DEPUTY CHAIRMAN: The Minister will give an answer in his reply. There is no point of order. Mr. Salve, you don't yield until I ask you to yield.

SHRI VISHWANATH PRATAP SINGH (Uttar Pradesh): May I seek your permission to intervene? He has raised two points. I may say that I have already taken the responsibility. Of what I have cleared I have taken direct responsibility. Of what the officers have done, I have taken constructive responsibility. To be fair, it should also be mentioned that it is the Finance Ministry officers who had raided the Nusli Wadia Formica. If you speak of rivalry, this is rivalry. (*Interruptions*) Let not there be injustice. There was also Orkay and action was fully taken. As regards the second point that he has raised, I will seek the Prime Minister's permission to mention it in the House.

SHRI LAL K. ADVANI: Madam Deputy Chairman, on a point of order. My point of order is that the Minister who belongs to the Lok Sabha has the right to make a statement when he resigns. In this case, he has not done that. I found that when Mr. V. P. Singh wanted to reply, there were interruptions on that side.

SHRI DIPEN GHOSH: They don't hvae the minimum courtesy to give him a right to reply.

SHRI PARVATHANENI UPENDRA: You cannot shut him down permanently. Remember that.

SHRI DIPEN GHOSH: This betrays how they are afraid of the truth coming to light.

THE DEPUTY CHAIRMAN: Nothing should go on record.

SHRI N. K. P. SALVE: Madam, we are not afraid of any debate. We are not afraid of answering any question. (*Interruptions*) So are as Mr. V. P. Singh is concerned, he does not need friends from that side. He has given unequivocal pledge of his loyalty to the party and to the Prime Minister. If they think that they are going to wean him away from us, they are mistaken. (*Interruptions*) Madam, I am not yielding. He was not here when I started. Madam, I am one of those who hold him in very great esteem. We have not disowned him and we will not disown him.

SHRI JASWANT SINGH: You have .

2.00 P.M.

SHRI N. K. P. SALVE: Are we not as a party entitled to sit in judgment ever some of the actions of a Minister? Are we absolutely dumb-driven even when a Minister misbehaves in a matter?

SHRI LAL K. ADVANI: Madam, he has used the word 'misbehaves'.

SHRI N. K. P. SALVE: Yes, I used the word 'misbehaves' for this reason that with great respect to Mr. Vishwanath Pratap Singh, I do find in the acts, in the demeanour and in the utterances there is breach of propriety and what is worse, I think there is violation of the constitutional responsibility cast on a Minister which is pledged to the immutable principle, unshaking principle of collective responsibility and what is worse, Madam, in making certain public disclosures it is my view unfortunately that he has violated the very oath of secrecy. If this is what we feel...

PROF. C. LAKSHMANNA (Andhra Pradesh): Madam, I am on a point of order.

THE DEPUTY CHAIRMAN: No, no, please. (*Interruptions*).

PROF. C. LAKSHMANNA: Madam, at least hear the point of order.

THE DEPUTY CHAIRMAN: It is all interruptions and no point of order.

SHRI DIPEN GHOSH: How can it be that? No, no. This is a Member's right.

PROF. C. LAKSHMANNA: Is it then a Minister's right to institute an inquiry or not?

THE DEPUTY CHAIRMAN: No point of order.

PROF C. LAKSHMANNA: You please listen.

THE DEPUTY CHAIRMAN: No, no, you cannot make interruptions.

PROF. C. LAKSHMANNA: But you have to listen to my point of order.

THE DEPUTY CHAIRMAN: Mr. Lakshmanna, you are referring to something regarding procedure of the Government, whether a Minister can order an inquiry or not. That is not a point of order.

SHRI CHITTA BASU (West Bengal): Madam, I am on a point of order.

THE DEPUTY CHAIRMAN: You see there are ten more Members on the list and we have to finish it before four O'clock. We are not going to take other business and the Minister will require some time to reply. If you go on interrupting like this, the discussion will never be complete.

PROF. C. LAKSHMANNA: You listen to my point of order and give a ruling. Is it within the right of a Minister to institute an inquiry in a particular matter? If that is the case, can that be taken as a point.... (*Interruptions*).

SHRI PAWAN KUMAR BANSAL: From the very first words of the sentence it is clear that it is not a point of order. Under the cover of a point of order, he wants to raise extraneous matters.

THE DEPUTY CHAIRMAN: Yes, Shri Upendra.

SHRI N. K. P. SALVE: Madam, I have not finished. I am still continuing. I have to deal with extremely important points and they are interrupting and I am yielding only at your behest. Otherwise I can continue. The point I was making is, nobody doubts the authority of the Finance Minister to make enquiry into tax frauds or violation of FERA. We have supported him. We are responsible; our party is responsible, and he is responsible in carrying it out. But in the process, the point was, do you get involved with a set of people who are involved in internacine business conflict amongst themselves, as business

rivals? Secondly, do you get involved — and as a party leader I am speaking here — with a press baron who is a known anti-party and a known anti-PM person? Do you get involved with a press baron, a business tycoon... (*Interruptions*) About him, columns after columns have been written, and I want to quote the Sunday Observer. After all, why this unsavoury controversy has been created? (*Interruptions*). If it is an act by a Minister, an act that he behaves in a manner which puts his party into the difficulty in which it is put now and which embarrasses the Prime Minister, can it be condoned? (*Interruptions*). There are ways of doing... (*Interruptions*).

SHRI DIPEN GHOSH: That is your party affair; he still belongs to your party.

SHRI N K. P. SALVE: Mr. Vishwanath Pratap Singh, I wish, had dispassionately and objectively thought over the matter and at least taken the Prime Minister, if nobody else, if not the party, into confidence. Papers are with me that these are a set of people who have worked always against the party. And I quote just two lines from the Sunday Observer:

> "Wadia himself is not lacking in the art of cultivating political godfathers. During the brief Janata regime, through the good offices of former RSS leader, Nanaji Deshmukh, Wadia managed to establish links with the top echelons of the then ruling party and had things working well for him..."

Now, on the question as to which of the two probes is better, I admit that none of the two probes is infallible. Probe by judges lead to harassment and nonsense and probe by Parliament has sometimes done the same thing. No one is infallible. Let us not pre-judge the issue. I want to read out about a case... (*Interruptions*)

SHRI DIPEN GHOSH: I am on a point of order... (*Interruptions*). We are called upon to discuss a calling attention motion on the engagement of a U.S. agency Fairfax group and illegal amassing of wealth. We have not been called upon to discuss the conduct of erstwhile Finance Minister. It comes within the rules of the calling attention motion. So I would demand, the remarks made by Mr. Salve about the conduct of the erstwhile Finance Minister should be expunged.

THE DEPUTY CHAIRMAN: There is no point of order.

SHRI N. K. P. SALVE: Madam, I want particularly to point out to Mr. Advani that a probe by judges, we do not say, is infallible. J. C. Shah Commission was appointed and it only showed the disgraceful behaviour of a Supreme Court judges. I want to read it out that not only the Parliamentary Committees are fallible but even when Parliament has taken certain action, it is liable to be extremely vindictive and unfair, and therefore, do not prejudge the issues on merits and demerits. I want to quote the famous case of *the 17th century. I would like to* quote from May's Parliamentary Practice. This will perhaps take away...

SHRI PARVATHANENI UPENDRA: The Prime Minister wants to take us to the 21st Century. He is talking about the 17th Century. (*Interruptions*).

SHRI DIPEN GHOSH: Your master wants to take us to the 21st Century. You are taking us to the 17th Century.

SHRI N. K. P. SALVE: The moral of the story holds good as much today as it did at that time. What does it say?

> "Floyde's case (1621). Floyde had spoken offensive words concerning the daughter of James I and her husband, the elector Palatine. In this, there was no

[Shri N. K. P. Salve]

breach of Parliamentary privilege. Yet, the Commons took cognisance of the offence, and sentenced Floyde to pay a fine of £ 1,000, and to stand twice in the pillory and to ride backwards on a horse, with the horse's tail in his hand. Upon this judgement being given, first the King and then the Lords interfered, because the offence was beyond the jurisdiction of the Commons. The Commons perceived the error and left the offender to be dealt with by the Lords. If the Commons exceeded their jurisdiction in this case, the Lords equally disregarded the limits of their own and proceeded to still more exemplary punishments. This notorious case, which has been explained as due to a 'mean submissivenes to the royal power, was more probably the result of religious intolerance, the elector Palatine being a champion of Protestantism, and Floyde a Catholic".

Therefore, Madam, can a Parliamentary probe ever rise above party prejudices and predilections. These are the limitations so far as a Parliamentary probe is concerned. If we appoint judges, we are at fault. If we institute a Parliamentary probe, we are at fault. If you want to derive mileage by this kind of gimmickry, you can do so. But a time will come when the country will have to seriously think as to which is the party and who is the leader who has shown at this juncture a strong will to stand erect at a time when there are forces of destabilisation, forces which are working day in and day out and overtime and which are wanting to bring about destabilisation of the country. But it is Rajivji's leadership we stand by and we shall continue to stand by to ensure that Parliamentary democracy continues to flourish in this country.

THE DEPUTY CHAIRMAN: Mr. Upendra.

SHRI JASWANT SINGH: Madam, this has really been a tremendous performance...

THE DEPUTY CHAIRMAN: Mr. Jaswant Singh, please sit down. I have called Mr. Upendra.

SHRI JASWANT SINGH: Mr. Upendra has yielded. You do not come in at all. I wish to place it on record that Mr. Salve's intervention in the debate has really been very disappointing. We are all belittled on that account. (*Interruptions*)

SHRI VITHALBHAI MOTIRAM PATEL (Gujarat): Madam Deputy Chairman, Chairman has said that nothing will go on record if anybody speaks without the permission of the Chair. This rule should be observed.

(*Interruptions*)

THE DEPUTY CHAIRMAN: Anything spoken without the permission of the Chair will not go on record.

(*Interruptions*)

PROF. C. LAKSHMANNA: You cannot expunge it.

SHRI LAL K. ADVANI: It is only in certain cases where because of disorder, the Chair can exercise that special power. But it cannot be done permanently. If a Member wants to say something, you cannot say that it will not go on record. Even Mr. Patel has spoken without your permission.

THE DEPUTY CHAIRMAN: Nobody can rise and say whatever he wants to say.

SHRI LAL K. ADVANI: That is a simple question of a Member's intervention.

THE DEPUTY CHAIRMAN: You have to speak to me, you have to take my permission. (*Interruptions*).

SHRI PARVATHANENI UPENDRA: Madam Deputy Chairman, two months ago, on the 25th February,

1987, I do not know, may be due to over enthusiasm, while taking part on the Motion of Thanks to the President, I had made this comment:

> "Lately we have been reading about money going out of this country in hundreds and thousands of crores. The Government has not come out with the contradiction. Facts have been mentioned, figures have been mentioned... There are rumours that the ministers are being changed because they are investigating into these charges."

And the Prime Minister Minister's reply was, I quote:

> "I reassure the hon. Member that no minister is changed because of any such action and ministers have only been shifted because there was a dire need in the Ministry at that time and as the Member is so sensitive about spreading rumours, I wish he would not use this high platform to spread rumours."

This is the reply the Prime Minister gave on that day. Madam, today the events have proved whether it was a mere rumour, who misled the House, whether the Prime Minister was speaking the truth on that day when I commented on the shifting of Mr. Vishwanath Pratap Singh from the Finance Ministry to the Defence Ministry.

Madam, the Fairfax affair was supposedly it be a simple affair. An enquiry has been ordered into various economic offences. In this House, on several occasions, statements were made, figures were given, details were given about economic offences of many industrial houses. This enquiry was first ordered to find out about the irregularities committed by a particular business house. And about that particular business house there were statements in this House several times. Facts were mentioned and if it was only relating to this particular business house, the Government would not have hesitated to place the facts on the floor of the House, they would have given the details, but from the very beginning, when this matter exploded, the Government became nervous and today we have seen the extent of the nervousness of the ruling party whenever this subject is mentioned.

SHRI KALPNATH RAI: What is nervousness, you tell me?

SHRI PARVATHANENI UPENDRA: This is because Mr. Hershman, Fairfax chairman has said, "he had handed over information to the Finance Ministry and during the course of the investigation several other names had emerged of people breaking India's financial laws." "Several other names" he had come across and that is the crux of the whole matter. It is not the question of one firm about which he was asked to investigate, there are several other names and that is why there is the nervousness. That is why there are country-wide rumours. And I am speaking with pain and anguish. We are not here to take political capital out of the situation. But, today, the Prime Minister is being dragged into the street. There is an editorial in the press accusing the Prime Minister directly taking a kick-back. And there is a magazine which has published a photograph of the Prime Minister's family members. I do not want to read out the report, but... (*Interrutpions*) I am not vouchsafing, I am not the publisher of this magazine. There is a photo of a lady here and the caption is " A lot of worry about". I do not want to read out or be uncharitable. So much is written about the alleged financial dealings of a family and their relatives and their in-laws. And is it the way to deal with such a situation? Should you allow the rumours to spread, should you allow the people to speculate on the issue, instead of clarifying it? While the matter was before the Parliament and under its consideration, you could have allowed Parliament to discuss the matter. Instead, suddenly you have taken away the matter from the purview of Parliament and placed it before a judicial commission. What for? Why

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such nervousness? If the material you have received from the Fairfax Company related to economic offences of certain companies, whatever may be the information, why such nervousness to suppress the facts? Why are you so interested to conceal facts and postpone the D-day? Facts will not be concealed, cannot be concealed for long. One day they will come out. But you are trying to conceal them and postpone the D-day for a long time. Therefore, I feel the time has come for the Government to come out clean and tell us whatever has happened.

I also want to know: do they really think that there are no assets or funds accumulated by the Indians abroad? Don't they have information with them? Madam, here is an extract from the Annual Report of the Swiss National Bank which the IMF has quoted. I will place it on the Table of the House. This is in German. I do not vouchsafe for its figures and details.

SHRI RAMANAND YADAV: How can you place it on the Table?

SHRI PARVATHANENI UPENDRA: It clearly gives the nationalities of the people and how much money is there in the name of each nation, how much money is there, etc. As per the IMF report, secret Indian deposits in Swiss banks have reached the enormous sum of Rs. 13,320 million or 2,500 million Swiss Frances as per one estimate. This I am quoting from the Indo-European Affairs, January 1987 issue.

AN HON. MEMBER: They are all in dollars.

SHRI PARVATHANENI UPENDRA: I place it on the Table of the House. Therefore this is a very clear evidence that funds are existing abroad not only in Switzerland but in different countries. The Swiss ambassador has given an interview in the same journal where he has named some countries in which Indians have accounts. He says, "why blame Switzerland only? There are many other countries also which are having such accounts." He has mentioned many other countries also. That means it is very clear that people are having enormous sums abroad. These sums have come through deals like the Defence deal which we are going to discuss, through ONGC deals, through import deals. Otherwise how has the ruling party been financing its candidates in election after election, since 1971? The Congress Party has been giving crores and crores of Rupees to its candidates and has been spending crores and crores of Rupees on elections, which was not there earlier. In Jawaharlal's time, there was no system of funding elections and giving money to the Congress Party candidates. But, since 1971, this system has been started—the system of giving money to the Congress candidates from the Centre—and since then all these financial irregularities have started.

Madam, there are many peculiarities of the Fairfax affair which the ruling party members themselves have pointed out. I do not want to comment on them. They said, there is nothing on record, the Prime Minister admits there is no file on this—and our Embassy in U.S.A. has been bypassed. Then there is involvement of outsiders, as Mr. Salve has just now pointed out. A payment has been made by a non-official belonging to an industrial house and some amount has also been mentioned. So outsiders are also involved in the entire investgation. Not only Fairfax, the reports say there are more than one agency and one more agency has been mentioned—Lewis Incorporated in the U.K. I do not know whether the Minister will through some light on that. I do not find anything wrong in this,

When you don't have the expertise here, and if you do not have the machinery here and yet crimes have to be investigated, it is necessary to employ foreign companies. Mr. V. P. Singh was perfectly right to employing these investigating agencies. But why this hush-hush? Still I am not able to understand. Even Mr. V.P. Singh must have had valid reasons to keep this as a secret and to keep it away from the Cabinet, because he might have been afraid that the investigations would be hampered if he brought this before the Cabinet or the Prime Minister. And that is exactly what has happened. The moment it was known, the moment it was brought to the notice of the Prime Minister, immediately Mr. V. P. Singh has been shifted from the Finance Ministry to the Defence Ministry. This information came to the Prime Minister through some other source, not from the Government source. Some people say, some intelligence report came from abroad, giving a tip to the Prime Minister. Therefore, it shows that Mr. Vishwanath Pratap Singh had valid reasons to keep the entire operation a secret, only confined to two or three officials of his Ministry. Therefore, the suspicion is all the more growing that big people are involved in this and that is why he was afraid that the inquiry would be hampered.

Madam, there is also a report from the Fairfax Chairman. He says, "We have turned over many facts to the Government of India that are both are relevant and crucial to the investigation we were hired to conduct." This is on record. And we want to know what is that information which he gave and why Mr. Brahm Dutt is reticent to share it with Parliament. Is it such a damaging report? If it concerns only a business house or an industrial house, why cannot you reveal it? Why can't you take Members of Parliament into confidence?

SHRI BRAHM DUTT: I will share everything with you.

... *(Interruptions)* ...

SHRI PARVATHANENI UPENDRA: No, whatever it is, we want it. .... *(Interruptions)* ... There is no reason to keep it in a hush-hush manner and also to silence Mr. Hershman. Mr. Brahm Dutt is on record in the Lok Sabha, saying that they had advised him not to talk. Mr. Hershman also said, "The Government of India has asked me not to talk. I am not talking anymore." I want to know why, what they are afraid of... *(Interruptions)* ... Are they afraid that if he will reveal more? I want a straight answer from Mr. Brahm Dutt as to why he asked Mr. Hershman to keep his mouth shut.

SHRI KALPNATH RAI: You want a foreign agency?

SHRI PARVATHANENI UPENDRA: The terms of reference, as Mr. Advani has righly pointed out, were not for inquiry into Fairfax or any other business house or anything like that. It was purely a chargesheet against Mr. Vishwanath Pratap Singh: why he instituted this inquiry, under what circumsances and how the payment was made? And they brought a security angle also at the end to show a link-up with some intelligence agency abroad, to damn him permanently and politically. Therefore, there is a clear design also behind this and all the terms of reference have been drafted in such a manner as to damage the reputation of Mr. Vishwanath Pratap Singh. Otherwise there was no need for such terms of reference. Today, with the information available with Mr. Brahm Dutt—from his own file, from his own officers—he can prepare the answers in one day. What is that he has to inquire into? What have the Judges to inquire into? Whether the Fairfax has been authorized to conduct an inquiry, into what it has been authorized to inquire, when it was authorized to inquire, how much it was paid. Do you need a judicial commission to find these out? Can't

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the Government of India find them out in a few days? The whole material is there with you in your possession and you can yourself compile the answers. But you want the judicial commission to pronounce a verdict which will go against the previous Finance Minister so that he can be damned permanently and damaged permanently.

Also, Madam, I do not want the terms of reference to be changed. I support the contention of Mr. Advani that a parliamentary probe is necessary, simultaneously and separately, into the main aspects of the accumulation of illegal funds abroad. Let the commission go on with its work. We would give less importance to the judicial commission—what it does, what it finds out. But we are mainly concerned with the accumulation of illegal funds and assets by Indians abroad. For that where is the scope in the inquiry? The terms of reference do not provide for that. For that there should be a separate inquiry and a parliamentary committee is the the correct instrument to find out who are the Indians who are keeping accounts abroad and how to bring the funds back and how to confiscate them, if necessary. I believe the Swiss Bankers Association are amending their code now. Previously, an attorney could go and open an account on behalf of any client without revealing the identity of any customer; he could just go and open an account. But now the revised code indicates that the attorney must say, "I know the customer, his address, his name and all that." Therefore, that advantage also we should take. And here is a publication by the Swiss Bankers Association. It is titled Secrecy in Swiss banking. In that they say:

> "Furthermore, the banks agreed not to actively assist in the transfer of capital from countries whose legislation restricts the investment of funds abroad. The revised agreement also prohibits the bank from maintaining accounts for persons and companies known by the bank, who use their accounts professionally for the purpose of assisting capital flight or tax evasion."

The also has been included now in the revised code. Therefore, this is the time for the Government of India to enter into a bilateral agreement, as the United States Government has done with the Swiss Govment and the Swiss Bankers Association. Why is the Government of India reticent? Why are they not moving? Have they ever asked the Swiss Government or the Swiss Bankers Association or the national bank of Switzerland or the banks concerned for any particulars or for assistance in unearthing these things? They have not done. They will only say, this is secret and therefore, they will not reveal. But now the revised code of conduct of the Swiss banks provides for such information to be shared with the Government concerned, and the Government of India must move in that direction.

Now I want to say something about Mr. Vishwanath Pratap Singh also in this context. Yesterday, in Lucknow, he made a comment, "I have given my word to the Prime Minister that I will not talk. So, my lips are sealed." Whereas he professes his loyalty to his leader and party, which is very good, I must tell him that his loyalty to the country, to the nation and to the people is more important and valuable his than his loyalty to leader and his party. And if he thinks that he has loyalty to his party and the Prime Minister, he should not have done all these things. I put a straight question to him: Why did he go so far if he has to resile from that position today? If he cannot go to the logical conclusion, if he is not going to share with the country whatever information is in his possession and if he is not prepared to reveal what-

ever is there in his possession, why has he gone that far?

Today he is being accused of flouting the norm of joint responsibility of the Cabinet. He is being accused of taking help of an industrial house or taking side of a particular industrial house, and of being a party to a conspiracy. And the Congress people have given a statement accusing him. This is the joint statement by 41 prominent congress party members of Parliament. They accused Mr. Vishwanath Pratap Singh. They say:

"He is helping, giving a handle to forces inimical to the country's stability, speeding their covert and over operations...."

They again say:

"It considers Mr. Vishwanath Pratap Singh's action as an unprecedented step in brazenly flouting the constitutional obligation and the joint responsibility of the Council of Ministers. It deems the total unconcern of national security in surreptitiously inviting dubious foreign agencies to pry into India's secrets as disgraceful landmarks in treachery and betrayal."

This is the accusation against Mr. Vishwanath Pratap Singh. And he has risked it. And why did he risk it? Because he has considered the country's interest more, the nation's interests more. He conducted this enquiry so secretly because he considered it necessary because the nation's interests are supreme. That is why he did not share everything with his Cabinet Colleagues. That is why even in this defence deal he went forward and instituted an enquiry because, he knew, his days in the Government were numbered. He thought at least one good thing he would do before leaving the Government.

Today if he says that in the name of loyalty, in the name of discipline he will not tell anything, he is doing a great disservice to himself and to the country. Therefore, I appeal to Mr. Vishwanath Pratap Singh to come out openly and tell whatever is in his possession. This is in country's interest. And if he values the nation and the country and the country's interests, he must tell whatever is in his possession. Tomorrow they are going to force him to resign from his party. And before that happens, he must tell whatever is there in his knowledge. That is what the country demands because the nation's reputation is at stake. Today the credibility of the Government has already gone. Today the whole world is laughing at us. Therefore, it is time for him to come out openly, boldly and courageously and share the information in his possession, with the people whatever he has started, he must take it to a logical conclusion.

Thank you.

SHRI J. P. GOYAL (Uttar Pradesh): Madam Deputy Chairman Mr. V. P. Singh has done a commendable work. I myself and on behalf of my party and other Opposition colleagues, congratulate him. When we were in power during the Janata Party's regime, our Singh, I mean, Choudhry Charan Singh when he was the Finance Minister opened a case against one Mr. P. N. Balasubramaniam. There was a raid at his Golf Link's residence... (*Interruptions*)... Please hear me, I am saying something for your benefit. Mr. P. N. Balasubramaniam was the person who represented Barium Chemical Company. There was a case in the Supreme Court which took place during Lal Bahadur Shastri's time. Of course, it was reported after his death in AIR, 1967, Supreme Court, page 295. The heading of the case was "Barium Chemicals Company versus Company Law Board". On account of judgement in that case, Mr. T. T. Krishnamachari had to resign.

[Shri J. P. Goyal]

Mr. P. N. Balasubramaniam was the Managing Director of the Barium Chemicals. He was an appellant in that case. In India he was the key liaison officer or man who was doing all these nefarious activities on behalf of Ministers, Prime Minister and their family Members. He was doing this commission business in foreign countries... (*Interruptions*). He was an I.A.F. officer and he was doing the liaison work. A case was instituted against him. He was arrested in 1979. He filed a bail application in the Delhi High Court. Enlarged on bail, he jumped bail. At that time, I was entrusted to become the Advocate for the Government of India against Mr. P. N. Balasubramaniam. When he jumped the bail, he had gone to West Germany. He used to telephone his Advocate, and late Mr. Raj Narain from there. I want to tell you the truth as to who were the persons in this country who have committed this economic corruption at the highest level. I made a statement in the Delhi Court that the Government of India is prepared to withdraw the cases against him provided he comes to India and tells the whole truth. He was brought to India. But after his coming here, there were pressures on him that he cannot disclose the truth. He told his Advocate who communicated to me that he can give truth about others but not about the late Prime Minister... (*Interruptions*). He had also said that he treats the son of the late Prime Minister as his son-in-law and got family connections... (*Interruptions*). The late Prime Minister was Mrs. Gandhi... (*Interruptions*). He has also said that he got friendship with his mother-in-law.

SHRI V. NARAYANASAMY (Pondicherry): Hon'ble Member has no right to disclose it to anybody else. Therefore, hon. Member cannot speak before the House about the professional communication. (*Interruptions*) It is a professional communication and it cannot be disclosed.

SHRI J. P. GOYAL: He was not my client. My client was the Government of India and not Mr. P. N. Balasubramaniam.

THE DEPUTY CHAIRMAN: Your point may be valid but it is no point of order. Please sit down.

SHRI J. P. GOYAL: Now the matter was placed before the Finance Minister who in the meantime, became the Prime Minister, Choudhary Charan Singh. He said, how can we excuse this man when he is not disclosing the whole truth? So, there was another raid at his house when he came to India. The matter went on. It was in the month of January 1980 when the new Government came in that the cases were withdrawn against him. This is very important. The Prime Minister or the Finance Minister may reply to this aspect, if necessary. This was the position of economic corruption. Everybody in the street used to say that there are foreign accounts of big politicians in foreign countries particularly in Geneva in Ewitzerland. Now, this key man Mr. P. N. Balasubramaniam, unfortunately is no more. He died six months back. But the fact remains that he was the key man who it is said even arranged the marriage of... (*Interruptions*)

SHRIMATI MARGARET ALVA: There has been a ruling this morning by the Chairman in this House that no names of persons not present in the House shall be mentioned. (*Interruption*).

THE DEPUTY CHAIRMAN: The Chairman has already said it. (*Interruption*)

SHRI J.P. GOYAL: This thing went on in this country where 52 per cent population today is below the poverty line and the money which belongs to the poor people who cannot get even one meal a day, who do not have any shelter and who have no clothes, is being wasted. I am directly challenging the Prime Minister who has not the courage to face this house neither

on Monday nor today, *(Interruptions)*, can he reply to the House and to the people? Is there any big account of* (Interruption)

SOME HON. MEMBERS: She is not a Member of the House. He cannot mention the names of persons who are not present in the House.

THE DEPUTY CHAIRMAN: This will not go on record.

SHRI YOGENDRA MAKWANA: Madam, a man who has no professional ethics, how can he speak anything true? Whatever he is speaking is untrue. He is disclosing his client's matter here.

SHRIMATI MARGARET ALVA: You should not talk of your brief in the House. It is against the rules.

THE DEPUTY CHAIRMAN: Mr. Goyal, please speak on the subject.

SHRI JASWANT SINGH: I am on a point of order and it is a very simple point of order. Despite the heightened division, for a change, I do find myself in agreement with the Treasury Benches. The simple fact of the matter is irrespective of what name or names' it is a continuing tradition of the House which we will all attempt to preserve and we request the Treasury Benches to observe, that he or she who is not a Member of the House will not be referred to. With that agreement with the Treasury Benches, this is something on which I don't think there is a dispute.

[Mr. Chairman in the Chair]

SEVERAL HON. MEMBERS: Point of order...

MR. CHAIRMAN: I have been hearing the debate from my room. Now all of you raise every one of the points of order in order, not in disorder.

SHRI A. P. SHARMA (Bihar): You have already given your ruling in the morning about mentioning names.

MR. CHAIRMAN: The first point of order is of Mr. Jaswant Singh; all others can get ready.

SHRI JASWANT SINGH: It is a very short point and it is very simply stated. Not because you have so ruled in the morning; it is a continuing tradition in the House, whoever is not a Member of the House is not referred to by name. And with that agreement with the Treasury Benches I would appeal to you to abide by that.

MR. CHAIRMAN: No person who is not a Member of this House can be referred to in the House in a derogatory manner or in any other way affecting his reputation. I will go through the record and if I find anything objectionable, I will expunge those remarks.

SHRI VISHWA BANDHU GUPTA (Delhi): You were kind enough to announce in the morning that the Prime Minister has been requested and you said yourself that he was in the other House and as soon as he would become free there, he would be coming and joining the debate here. But again and again, in your absense, the point has been raised by the speaker that the Prime Minister is missing from the House and that he is unable to face the House on that day and today. I want to have a ruling again from you.

MR. CHAIRMAN: My ruling is that the Prime Minister will show his face and deny everything that has been said. Now the next point of order. *(Interruption)* Now Mr. Goyal you must conclude now.

SHRI J. P. GAYAL: But I was not allowed to speak. I was not allowed to have my say. My time has been taken away in interruptions.

It has been reported in a magazine that...*

MR. CHAIRMAN: Not allowed. Not recorded. I have already said,

*Not recorded.

[Mr. Chairman]

"Not allowed." So, why do you want to shout? Nothing is to be recorded. (*Interruptions*).

SHRI J. P. GOYAL: *

MR. CHAIRMAN: What Mr. Goyal says will not go on record and it is not to be recorded.

SHRI J. P. GOYAL: *

MR. CHAIRMAN: Mr. Goyal do not provoke me. You know my powers. But I do not want to exercise them (*Interruptions*). You know my powers. But I do not want to exercise them and I want to have the friendliest relations. You cannot do whatever you like and you cannot say whatever you think. It means you do not know my powers. Please don't do that. I think you have concluded. Yes, Mr. Gurupadaswamy. Nothing of what Mr. Goyal says is to be recorded.

SHRI J. P. GOYAL: *

MR. CHAIRMAN: Nobody has a right to speak after I have called an other Member. Yes, Mr. Gurupadaswamy.

SHRI J. P. GOYAL: *

MR. CHAIRMAN: Nothing will go on record. Mr. Goyal is not behaving properly. (*Interruptions*). Nothing will go on record including what you say, Mrs. Chowdhury. Let us have a higher level of debate. What is all this? Yes, Mr. Gurupadaswamy.

SHRI M. S. GURUPADASWAMY: Mr. Chairman, Sir, may I make two preliminary points before I deal with the main question?

Firstly, Mr. Vishwanath Pratap Singh has a moral duty to this House and he should clarify the situation after the vitriolic denunciation by his own colleague, Shri N. K. P. Salve. I hope he will rescind his decision and exercise his option to make a statement for the benefit of the House. Secondly, Sir, I would like the Prime Minister to be here at least now. There is one hour more for ending this debate. I would like the Prime Minister to be present.

MR. CHAIRMAN: Mr. Gurupadaswamy, I have been assured that the Prime Minister will come and participate in the debate.

AN HON. MEMBER: He is in the Lobby.

MR. CHAIRMAN: It is not known in any Parliament. All that you can say: it is an important matter, the Prime Minister should come. And he will be coming.

SHRI M. S. GURUPADASWAMY: I am glad that the Prime Minister will be here. I take your assurance.

Today's episode has all the elements of a Shakespearean tragedy. I am glad that the Prime Minister is here.

AN HON. MEMBER: I hope he will serve us lunch some time later. (*Interruptions*)

THE PRIME MINSTER (SHRI RAJIV GANDHI): That commitment I can easily give.

SHRI M. S. GURUPADASWAMY: You cannot bribe us like that.

I was saying that this episode has all the elements of a Shakespearean tragedy. This House is debating the issue in a manner which has converted this House as a House trying Mr. V. P. Singh, whether we like it or not. Shri Vishwanath Pratap Singh is on trial. Mr. N. K. P. Salve, I am shocked and surprised, indulged in the most naked, vitriolic condemnation of his own colleague, Mr. V. P. Singh.

SHRI JASWANT SINGH: It is a disgusting, despicable performance.

SHRI M. S. GURUPADASWAMY: Sir, I told you that it reminds me of a Shakespearean tragedy. You must have all read the famous Shakespearean play 'Othello', there the main character Desdemona was crucified...

*Not recorded as ordered by the Chair.

(*Interruptions*) Othello. I stand corrected. (*Interruptions*) Sir, in the play 'Othello', Desdemona was sa-

3.00 P.M. crificed for being honest, true and chaste. By whom? By the diabolic conspiracy of Iago.

SHRI V. GOPALSAMY (Tamil Nadu) Who is Iago here?

SHRI M. S. GURUPADASWAMY: I do not know who is Iago here. Shri V. P. Singh is being sacrificed. He is being done away with. For what? Within the policy of the Government and within the framework of that policy, he decided to order an inquiry against certain business house or houses. In that context, he gave his consent to employ Fairfax. I am quoting his own words in the India Today. (*Interruptions*).

SHRI V. GOPALSAMY: They don't read any magazines.

SHRI M. S. GURUPADASWAMY: It is of April 15. He says that after having given clear approval to the officers to attack economic offenders, in the process if they had to buy intelligence from the foreign agency, they had my approval. He goes on to say that "it was within my powers to approve the hiring of a foreign agency. This did not need the Prime Minister's or the Cabinet's approval. The Finance Ministry has done this in the past too." Mark these last words. He has not committed any breach at all. He was carrying out the directives of the Government. All of us, including the Treasury Benches, agreed that the economic offenders should be punished and that investigations should take place before the punishment. Now, what is the harm in employing Fairfax for investigation? Why are you mixing shadows with substance? You are mistaking the trees for the wood bringing in all extreneous matters. The main issue, the central issue, the vital matter, in this case is to investigate whether a particular business firm or firms have accumulated illegal wealth abroad. What is the security involved in this? Why bring in CIA [illegible] clear and simple. It is to unearth illegal holdings abroad-assets, bank deposits and so on. Where is the threat to the security of India? Why do you see ghost everywhere?

They have raised the bogey of collective responsibility of the Cabinet. Sir, I stand by collective responsibility. Nobody in the House would like the collective responsibility of the Cabinet to be dispensed with at any cost. Please wait. Do not disturb me. Who has been the first guilty party in this matter? Who is the main culprit in breaking this collective responsibility? May I, in all humility, with all respect, point out and say that it is the Prime Minister. He has violated the collective responsibility not once, not twice but a number of times.

SOME HON. MEMBERS: No, no. How do you say that?

SHRI RAJIV GANDHI: Sir, the hon. Member has very specifically charged me with something. I would like to have some specific instances.

SHRI M. S. GURUPADASWAMY: I am coming to that. I am just giving you one or two instances to justify my charge. The Prime Minister went to some States on the eve of recent elections, to West Bengal, to Kerala and other places. He made various policy pronouncements and in particular he announced largesses to State Governments. (*Interruptions*). He has thereby transgressed the Plan commitments of the Planning Commission. (*Interruptions*).

MR. CHAIRMAN: By interruptions you only prolong the unnecessary debate.

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER): The Hon. Member was asking where is the collective responsibility? I want to tell him that the entire Ministry was with the Prime Minister when he had announced it. How does he say that the principle of collective responsibility has been breached? May I now that?

SHRI M. S. GURUPADASWAMY: I take four words. May I ask was it a Cabinet decision?

AN HON. MEMBER: Just because some Ministers were present, does not make it a Cabinet decision.

MR. CHAIRMAN: No interruptions will be recorded.

SHRI M. S. GURUPADASWAMY: I respect Mr. Shiv Shankar. He was a lawyer. He was a Judge. I think he knows this thing that when Mr. V.P. Singh ordered an inquiry, appointed FAIRFAX as the investigating agency. he was carrying out the collective responsibility of the Government. He did not violate this collective responsibility.

SHRI P. SHIV SHANKER: Sir, he says...

MR. CHAIRMAN: You must raise only a point of order.

SHRI PARVATHANENI UPENDRA: No, no, Sir, I am on a point of order.

MR. CHAIRMAN: Point of order in order of precedence. First point of order number one, then point of order number two.

SHRI P. SHIV SHANKER: Sir, my friend, Mr. Gurupadaswamy says and thank him for saying that I had been lawyer and a judge and he was also trying to say that I have some preliminary knowledge. I asked a question which he is deflecting when he said bout the Prime Minister's announcements in the States.

MR. CHAIRMAN: There is no point order in that.

AN HON. MEMBER: But the ing is that...

MR. CHAIRMAN: It is for the Chair decide.

SHRI P. SHIV SHANKER: When I t up I raised the objection. When said that Prime Minister went out announcing, I said where is the each of collective responsibility of e Cabinet? The Cabinet Ministers were with him. He is now trying to deflect from there and proceeding into FAIRFAX.

MR. CHAIRMAN: It is a point of procedure and not a point of order. Now, point of order number two.

SHRI PARVATHANENI UPENDRA: The Prime Minister is present here. He is the head of the Cabinet. He made a specific charge and the Prime Minister wanted specific instances which he was giving. And who is Mr. Shiv Shanker to reply to him? It is for the Prime Minister. He cannot reply on behalf of the Prime Minister.

MR. CHAIRMAN: You are again raising the question of procedure, not a point of order. Both of these are ruled out.

SHRI DIPEN GHOSH: We must know if that is the collective responsibilty of the Cabinet.

SHRI RAJIV GANDHI: May I answer the specific point that was raised? First is just a comment. Shiv Shankerji's intervention was part of collective responsibility. More specifically, coming to the point of clearing various projects and package in a State, let us take West Bengal as an example we did that exercise with every Minister, every Ministry, for almost two months before I went to Calcutta, and then I took the Ministers or the Secretaries of the Ministeries where Ministers were not able to go on that day, to Calcutta with me and it was together with them including the Deputy Chairman Planning Commission, of course that we cleared these specific projects.

SHRI DIPEN GHOSH: Why you put salt on the wounds?

SHRI M. S. GURUPADASWAMY: It is for the House to decide whether the Prime Minister was observing any propriety at all in making pronouncements about plan allocations on public platforms. Is it the collective responsibility, the House would like to know. (*Interruptions*). Therefore, I do not want to go into it. F

do not want to go into it. I do not want to say many other things whether the Prime Minister has used the collective responsbility at least in such a manner to remove the Foreign Secretary... (*Interruptions*).

MR. CHAIRMAN: Not allowed.

SHRI M. S. GURUPADASWAMY: Coming back to the main issue..... (*Interruptions*).

MR. CHAIRMAN: I have said 'Not allowed' and he has agreed. Why are you interrupting now?

SHRI LAXMI NARAIN: On a point of order.

MR. CHAIRMAN: The point of order must relate to the question of procedure.

SHRI LAXMI NARAIN: I will quote procedure. I want to submit that the speaker must speak at least a little sense.

MR. CHAIRMAN: Disallowed.

PROF. C. LAKSHMANNA: Sir, this should be expunged.

MR. CHAIRMAN: I have disallowed it.

SHRI M. S. GURUPADASWAMY: Coming back to the main issue on the appointment of Fairfax, I want to raise a few important things. Firstly, what is wrong in appointing Fairfax by the Finance Ministry to investigate cases abroad? Secondly, whether Mr. Vishwanath Pratap Singn has committed any breach of propriety in appointing Fairfax for investigation. Sir, thirdly whether the conditions and terms were discussed when Mr. Vishwanath Pratap Singh was the Finance Minister? I would like to know. We do not know the terms and conditions. It may be oral. There was a discussion. What discussion was there and what are the terms and conditions fixed when this agency was appointed. It is relevant, because it may throw light on whether it exposed the Government of India or the country to external forces inimical to India, and against the sucurity of the country. Next, Sir, whether any money has been passed on, whether any consideration has been passed on by the Government of India to Fairfax before the investigation took place.

SHRI VITHALBHAI MOTIRAM PATEL: Other industries have paid. (*Interruptions*).

SHRI M. S. GURUPADASWAMY: Every aspect has got to be gone into. I am not for this business house or that business house. We are not allies of any business house. The only thing is that truth should come out. Is it a fact that Fairfax sent a note or letter to the Prime Minister through a messenger. Let him deny it. I will be satisfied. I would like to know whether Fairfax sent a letter or note to him.

SHRI RAJIV GANDHI: Categorically 'No', Sir.

SHRI M. S. GURUPADASWAMY: It is all right. I am satisfied. I am formulating my questions. Is it a fact that during the investigation, certain other parties also came into the limelight, came into the picture which started off the crisis within the Ministry. I think, Fairfax or the Finance Ministry at that time came across cases, vulnerable spots perhaps, raw nerves perhaps, sensitive spots, which made the Government of India run amuck. (*Interruptions*) Is it a fact. (*Interruptions*)

SHRI H. R. BHARDWAJ: Your imagination is running amuck.

SHRI M. S. GURUPADASWAMY: Then, Sir, many things have been said about Mr. Vishwanath Pratap Singh. I do not hold any brief for Mr. Vishwanath Pratap Singh. He is not my colleague in the party. He belongs to your fraternity. Many epithets have been used against him Can I repeat them.

MR. CHAIRMAN: No.

SHRI PARVATHANENI UPENDRA: There is a statement by Members of Parliament.

MR. CHAIRMAN: You asked my permission. I said 'No'.

SHRI M. S. GURUPADASWAMY: It has been said that Mr. Vishwanath Pratap Singh has committed a breach of trust or faith, that he has also committed a breach of trust or faith, that he has also committed a breach of the oath of secrecy and that he has violated the Constitution and so on. In addition, it has been said that Mr. Vishwanath Pratap Singh did not take the Prime Minister into confidence. Should the Prime Minister be taken into confidence on every matter. I thought, it has been cleared already.

AN HON. MEMBER: You thought, but it was not.

SHRI M. S. GURUPADASWAMY: It is not necessary that the Prime Minister should be taken into confidence on every issue. A mandate has been given to him and he has carried out that mandate.

SHRI KALPNATH RAI: This is an American agency.

SHRI M. S. GURUPADASWAMY: You see hosts everywhere. Mr. Vishwanath Pratap Singh has been accused of indulging in self-aggrandisement and of destabilising the Government, that he is a part of the conspiracy, national and international etc. If this is so, I want to be told. If he is a part of the national and international conspiracy to destabilise the Government and destabilise the State, this House is entitled to know about this. That is way, I say, Mr. Vishwanath Pratap Singh should tell us whether he was guilty of these thing or not. After denunciation by Shri N. K. P. Salve, by his own party man, I expect him to clear himself. Sir, when the Prime Minister put Mr. V. P. Singh in charge of the Defence Ministry I thought he considered him to be very important, a senior Minister was wanted for defence when a country was threatened by external forces. If that is so, why give him room for resigning at all? why create a situation for him to get out of the Ministry? And now you gag him. Just I saw his friends taking Mr. V. P. Singh away to the lobby and I do not know for what. They whisked him away.

SHRI VISHWANATH PRATAP SINGH: You won't take me away, Mr. Gurupadaswamy.

MR. CHAIRMAN: Whatever the negotiations, please have them in the lobby, not in the House

SHRI M. S. GURUPADASWAMY: In this context, I would like to know whether any information was being given by Mr. V. P. Singh or his officials to Fairfax which could be used against the country's interest. I would like to know that, it has to be proved. (*Interruptions*) No this is specific. It has nothing to do with the Commission. What is the information given by Shri V. P. Singh to the Fairfax which could be considered or which could be used against the interest of the country. I would like to know that from Shri V. P. Singh.

MR. CHAIRMAN: I will give you three more minutes.

SHRI M. S. GURUPADASWAMY: Mr V. P. Singh, as I said, is being tried now. He is on trial. His own colleague is lynching him and we are trying to protect him, this seems to be very unfortunate turn of events. When the loyalty of a person, of a Minister, to the country is questioned, His loyalty to the party and to the country is being questioned. when the basic loyalty to the country an its security is questioned, I think this is the height of the highest charge, it is the severest condemnation of that person. I think he should prove before the House that he has not done anything disloyal to the country, he has not done anything disgraceful to the Government and he must say in what away he has fulfilled the norms and conditions prescribed for him by

Prime Minister and his party colleagues in the Government, whether joint and collective responsibility of the Caginet has been violated. I say, nobody including the Prime Minister should violate the collective responsibility. So, I would like to know whether there has been violation of the security of the country by appointing Fairfax, whether Shri V. P. Singh is siding one business firm against another in this exercise. That is the charge made against him. There has been a virtual chargesheet against him by his own party. We have not made any chargesheet. We have not done it at all. One of the charges is that he has been siding, he has been a better and accomplice of one business house against another in the internecine conflict. If that is so, he must come out with clarification. Why has the Prime Minister shown such consideration for shri V. P. Singh, shifting him to the Defence Ministry and immediately throwing him out of the Ministry? Why, for what crime? What is the crime committed by him? This House is entitled to know what crime he has committed.

Finally. I beg of you, this Inquiry Commission is a smoke-screen, it is an exercise to escape. Things are known tous what is there to enquire? I want to know that.

What is there? Every thing is known. Therefore I would like all the papers to be placed before the House. A committee of the House should go into these things. Further I would like to know why, during the investigations, you have shifted the officials who were investigating before. Mr. Bhure Lal was investigating that; he was incharge of that. Why he has been transferred from that? Why was he interrogated by Prime Minister's Secretary? What was his responsibility? He is an officer. You are holding a probe against a probe. You are investigating an investigation. That is what you are doing today. Therefore I would like to know why Bhure Lal was shifted and transferred, why the Enforcement Directorate has been taken away from Mr. Pande and given to somebody else in the Ministry? Why all this? I say this is a panicky approach. You are panicky. You are hiding something which is vulnerable. I think Mr. V.P. Singh has touched a raw nerve of somebody; that is why he has antagonised him. He has paid the penalty. Sir, I say, in the end that I am witnessing and this House is witnessing honesty being crucified at the alter of evil. Honesty is being crucified at the alter of untruth.

AN HON. MEMBER: What about Moily tapes?

SHRI M. S. GURUPADASWAMY: Mr. V.P. Singh has been made a sacrificial goat. I say this, Mr. V.P. Singh has been made a sacrificial goat for protecting somebody high. Therefore, Sir, the whole thing has got to be exposed.

SHRI RAJIV GANDHI: Sir, I object to my colleague being referred to as a "goat".

SHRI M. S. GURUPADASWAMY: Sacrificial goat, not goat. Mr. Prime Minister, you are seeing ghost everywhere. I said "goat". But, I repeat, the Prime Minister is seeing ghost everywhere.

SHRI RAJIV GANDHI: My objection was to my colleague being referred to as a "goat" by the hon. Member.

SHRI M. S. GURUPADASWAMY: I said, sacrificial goat.

SHRI PARVATHANENI UPENDRA: Shall we call him a tiger?

MR. CHAIRMAN: Now I may take the House into confidence. It appears that the debate will not be over by 4 o'clock today. I propose to extend the debate as long as it lasts and we will take up the agenda of today tomorow. Whatever is left over should be taken up tomorrow. Yes, Mr. Madan Bhatia.

SHRI V. GOPALSAMY: Tomorrow is Private Members' day.

SHRI LAL K. ADVANI: Am I to understand that the four o'clock debate will be taken up tomorrow?

MR. CHAIRMAN: No, this debate will go on till 4.30 or 5.30, I don't know. Immediately after that, whatever is the agenda will be taken up and it will be continued tomorrow. Tomorrow you will start from 12 o'clock. You can go on—tomorrow is not a Friday; it is Thursday....

SHRI DIPEN GHOSH: Friday being a closed holiday, Private Members' Business has been preponed to Thursday.

MR. CHAIRMAN: Mr. Dipen Ghosh, I have looked into all these things and I am telling you, if you have a little patience, you will understand what I am saying. Mr. Madan Bhatia, please sit down. On Fridays, the House adjourns at 1 o'clock. Tomorrow not being Friday, the House will adjurn only at 1.30 or may not adjourn at all. And therefore what I have said is, so that there may be no confusion later after I leave the place... Please sit down. What do you want to say?

श्री महेन्द्र मोहन मिश्र (बिहार) : आज ही खत्म कर दीजिये दोनों डिफेंस वाला और यह ।

Mr. CHAIRMAN: You must have orderly proceedings in this House. I find there are a number of speakers and I cannot hustle them. Therefore, I have said this will go on till 4.30 or 5 o'clock. It may not be over by 4 o'clock as originally scheduled. As soon as this is over at 4.30 or 5.00, we will take up other items in today's agenda and the things will spill over to tomorrow. Tomorrow not being a Friday, we can sit even without lunch break. That is what I said. Because I am going away, I did not want any confusion to occur after I leave.

SHRI JASWANT SINGH: What time?... *(Interruptions)*...

MR. CHAIRMAN: Roughly, 4.30 or half an hour more. I leave it to the House....As long as you are sitting here. If you are going away, what can I do?

SHRI VISHVJIT PRITHVIJIT SINGH (Maharashtra): May I seek a clarification?

MR. CHAIRMAN: Now Mr. Madan Bhatia will speak. The number of speakers is more and therefore it will go on.

SHRI MADAN BHATIA (Nominated): Respected Chairman, Sir, I stand today on the floor of this honourable House with a little sense of awe because there are legal and constitutional implications involved in the present subject, calling attention of the Government, of far-reaching importance. My foremost allegiance is to the laws of the country and to the Constitution of India.

I must say, with a little trepidation, that a senior Member like Mr. Advani started with a wrong note by misreading the subject before this honourable House. The subject says, "to call the attention of the Prime Minister to the engagement of the U.S. Agency Fairfax Group by Government of India for the investigation of cases of illegal holding of funds....." The honourable Member sought to mislead this honourable House by reading as if the word "for" meant "and" and, according to him, the basic issue was not the engagement of Fairfax but investigation into various cases of offences committed by the Indians.

SHRI PARVATHANENI UPENDRA: You are splitting hairs.

SHRI MADAN BHATIA: I am respectfully submitting that if the basic issue had been the investigation of cases, then the answer was provided by the honourable Member himself. I would like to ask three questions, if this was the basic issue.

Who proclaimed the policy of unearthing the black money of this country? It was the Prime Minister. Who entrusted the former Finance Minister with the constitutional authority of implementing this policy? It was the Prime Minister. Who gave unstinted support and backing to the

implementation of this policy by the former Finance Minister? It was the Prime Minister. And the honourable Member says, the basic issue is not the engagement of Fairfax.

SHRI RAMNARAYAN GOSWAMI (West Bengal): The Prime Minister will give you a reward... (*Interruptions*)...

AN HON. MEMBER: Jyoti Basu will give you a reward. (*Interruptions*)...

SHRI MADAN BHATIA: The basic issue before this honourable House today is the engagement of Fairfax. The honourable Members on this side have said this is no issue at all. If that be so, then it is an admission of defeat, an implied confession on the part of honourable Members on this side, that the appointment or engagement of Fairfax is totally indefensible. Sir, the basic issue is whether the engagement of Fairfax was constitutionally and legally permissible or not. I submit that the engagement of a private person or agency—whether foreign or internal, it makes no difference—for conducting an investigation under this Act is not permissible in view of the specific provisions of the Foreign Exchange Regulation Act. In this regard, I would like to draw the attention of this hon. House to various, few sections of this Act.

The first is section 5 which talks of entrustment of functions of Director or other officer of enforcement. It provides:

> "The Central Government for the purpose of implementing the provisions of this Act may appoint a Customs officer, a Central Excise officer or any police officer or any other officer of the Central Government or the State Government...."

But no one else. In other words, no private person or agency can be appointed by the Central Government to implement the provisions of this Act or to exercise any powers under this Act.

Then I go to section 39. It says about the power to examine persons. This is the section which covers the power of investigation. It says:

> "The Director of Enforcement or any other officer of enforcement authorised in this behalf by the Central Government by general or special order, may, during the course of any investigation or proceeding under this Act, require any person to produce or deliver any document or examine any person acquainted with the facts and circumstances of the case."

Who can exercise the powers of investigation? The Director of Enforcement or an officer of the Department of Enforcement or an officer appointed by the Central Government.

Then I draw the attention of this hon. House to section 77 of the Act, which specifies the persons who have got the power to render assistance to the officers under this Act in the course of investigation, to render assistance in the course of investigation. Section 77 says:

> "Certain officers to assist the officers of Enforcement:
>
> "The following officers are hereby empowered and required, to assist the officers of Enforcement in the enforcement of this Act:
>
> Officers of the Customs Department;
>
> Officers of the Central Excise Department;
>
> Officer of Police;
>
> Officers of the Central or State Government employed at any port;
>
> Such other officers of the Central or State Government as are specified by the Central Government'."

But not the private persons or private agencies. These are the specific provisions of the statute which exclude

[Shri Madan Bhatia]

the jurisdiction of the Central Government or the Directorate of Enforcement to employ a private person or agency to conduct an investigation under this Act.

I come to the same conclusion by drawing the attention of this hon. House to two other very disturbing sections in this Act.

One is section 44. Section 44 says in sub-section (2):

> "If any officer of Enforcement, except in the discharge in good faith of his duty as such officer in accordance with sub-section (1) or in compliance with any requisition made under any law for the ime being in force, discloses any document or information obtained by him in his official capacity, he shall be punishable with imprisonment for a term which may extend to six months."

This section talks of officers. If any officer is engaged in investigation under this Act and he discloses that information which comes to his knowledge as a result of the discharge of his duty as an investigating officer, then, he is guilty of an offence. But if you engage a private person or an agency and that private person or agency comes into possession of any information or document, that private person can disclose and broadcast that information and document with impunity because he cannot be convicted or tried under this section. This section covers only officers of the Government which means that if you employ a private person or agency under this Act and that private person or agency seeks to disclose or use this information for his private or political ends, the Act is helpless to take any action against him.

Then, there is section 58. Section 58 makes it all the more reprehensible. If you engage a private person or a private agency which happens to be a foreign agency, it becomes even more difficult, because a foreign person, or a foreign agency is not emenable to the jurisdiction of Indian courts. And sub-section 2 says:

> "Any person wilfully and maliciously giving false information and so causing an arrest or a search to be made under this Act shall upon conviction by a court be punishable with imprisonment for a term which may extend to two years or a fine which may extend to Rs. 2,000. If any person gives false information to the officer and acting upon that information, the Government carries out a search against a citizen of this country, then, that person is liable to be convicted under this Act."

But if you engage a foreign agency and that foreign agency indulges in dis-information for political reasons on private ends, he is beyond the arms of law under this Act. This is what we have done by the engagement of Fairfax. The entire statutory authority circumscribed by this Act of the Parliament of India has been abdicated in favour of a private foreign agency over which the Government of India has no control—over which the Parliament of India has no control—over which the laws of the land have no control.

Sir, by way of analogy, I would submit that the Commission of Inquiry Act did not contain any provision for appointment of an investigating agency to assist the Commission of Inquirp in collecting information or making preliminary investigation. In 1971, the Law Commission recommended that the Commissions of Inquiry Act should be amended to make a provision that the Commission of Inquiry can appoint an investigating agency for the purpose of carrying out the investigation in the course of the enquiry which it has been enjoined to undertake.

Then in 1971, the Parliament amended the Commissions of Inquiry Act and introduced section 5 (a) in the Commissions of Inquiry Act which provides as follows. I will read that section. It says:

"The Commission may for the purpose of conducting any investigation pertaining to the enquiry utilise the services in the case of a Commission appointed by the Central Government of any officer or investigating agency of the Central Government or the State Government with the concurrence of the central Government or the State Government as the case may be".

Even while giving the power to the commision of inquiry to take the assistance of an investigating agency, that investigating agency must, as specifically mentioned, be the one which is the investigating agency of the Central Government or the State Government. Even the commission of inquiry does not have the authority or jurisdiction to take the assistance of a private person or a private agency for the purpose of carrying out any investigation. And to crown it all, if there is any doubt in the minds of the hon. Members about the proposition which I have placed before this Hon'ble House, I cite the latest judgment of the Supreme Court. First I read just four lines of the head note. "Where statute empowers the State Government to appoint persons to administer provisions of the statute, Government has to appoint only persons who are appointed in connection with the affairs of the State". The question was whether under sections 129 A and 131 of the Motor Vehicles Act, the power to hold the inquiry to make the searches, to seize the vehicles etc. could be conferred by the Government on a private person. This section said, the Government may appoint "any person" to exercise these powers. The argument that was raised before the Supreme Court was that "person" will cover even a private person. The Supreme Court rejected this argument and said. I read just five lines from the statement. This judgment says "If the Central Legislature intended that such powers could be entrusted to private persons or empolyees of any statutory corporation, the section should have expressly provided in that regard. Ordinarily whenever a statute empowers the State Govt. to appoint persons to administer any of the provisions of the statute, the persons who may be appointed by the State Govt. under the provisions can only be persons appointed in connection with the affairs of the State. In other words, they should be employees or officers of the State Government who are subject — and this is important, Sir—to the administrative and disciplinary control of the State Government directly". And here is a Fairfax which was appointed, it is not only not subject to any administrative or disciplinary control of the Government, it is not amenable to the laws of the land, it is not amenable to the jurisdiction of the courts under the FERA Act, it can disclose information, it can spread dis-information with total immunity and total impunity without any fear of the penal provisions of this particular Act. I respectfully submit the appointment of Fairfax indicated, whosoever was responsible, a colossal ignorance of the provisions of the statute and a total incompetence.

MR. CHAIRMAN: Have you finished?

SHRI MADAN BHATIA: Sir, I will take just five minutes. Sir, there is another aspect of this case.

MR. CHAIRMAN: Bhatia Ji, kindly take only five minutes.

SHRI MADAN BHATIA: Sir, I will be very brief. The commission of inquiry has been appointed to go into the facts and circumstances leading to the appointment of Fairfax. I shall not dilate upon the facts and circumstances because that would mean forestalling the findings of the commission of inquiry. But as a legal proposition I would like to place before you the question, if A chooses to hold an inquiry or an investigation against me in collusion

[Shri Madan Bhatia]

with my press enemy and my business rival—not only that — and chooses a particular instrument of investigation in collusion with, at the instance and instigation of my press enemy and my business rival, then such an investigation shall be uconstitutional and gross abuse of statutory authority. Even the Supreme Court, as far back as 1971, in *Serajuddin's case* held that the investigation itself also must be fair, must be just, must be impartial and must not be overzealous. In that case the Supreme Court held that the officers who had carried out the investigation were not dishonest people, they were totally honest people, but the manner in which they carried out the investigation was such that the trial which was based on that investigation was totally illegal, and quashed that proceeding. I will try to draw attention of this honourable House to just a few lines in the Supreme Court judgment. The Supreme Court says:

> "The inquiring officer must not act under any pre-conceived idea of guilt of the person whose conduct was being inquired into or pursue the inquiry in such a manner as to lead to an inference that he was bent upon securing conviction of the said person by adopting measures which are of doubtful validity or sanction."

And then the Supreme Court said:

> "No blame attaches to them for making inquiries of a large number of persons but the whole course of investigation is suggestive of guidance by someone who was intimately familiar with the affairs of the appellant and his department and throwing out scents which the investigating officers were only took keen to pick up and follow."

A person may be guilty under this Act. He may have done heinous things under this Act. But the procedure must be followed. Justice Frankfurter, almost a century ago, gave expression to a dictum which has been followed by the Supreme Court of India. He said:

> "The history of liberty is, by and large, the history of strict observance of the procedural safe guards the power which is vested in a statutory authority to implement a statute does not give the licence to that authority to flout the very law which that authority is required to implement. It does not give the licence to that authority to trample under foot the procedural safeguards of the citizens of the country whose liberty is threatened. It does not give the freedom to the statutory authority to allow the machinery of the Government to be used by a press magnate and a business rival for wreaking personal vengeance against a sworn enemy."

It does not confer any authority on the statutory authority to subject an individual...

MR. CHAIRMAN: Please conclude now.

SHRI MADAN BHATIA: I am closing Sir.

It does not confer any authority on the statutory authority to subject an individual of this country to an investigation which is tainted under the Constitution as not impartial.

Only one point was raised by the honourable Member on this side. He was talking about collective responsibility. Collective responsibility of the Cabinet to Parliament and to the people does not efface the individual responsibility of the Minister to the Prime Minister.

Sir, another question that was raised was this: Why are we having a Commission of Inquiry? And, Sir,

the suggestion was that the Commission of Inquiry has been appointed to push the main issue, according to them, under the carpet and, according to them, the main issue is investigation of the offences. I respectfully submit, Sir, that if the Commission of Inquiry has been appointed, it has not been appointed for this purpose, but it has been appointed because they have been throwing red herrings and they have been misleading the people of this country by sowing the seeds of false suspicion in the minds of the people and they are deft at the game of political misrepresentation. (*Interruptions*). It is due to their political deception which they have been seeking to play upon the Indian people that they have been condemned to that position of Opposition ever since India's Independence but, for a freak period of... (*Interruptions*) ...thirty months when they did cleverly succeed in misleading the people. But the whole nation repented after thirty months. (*Interruptions*). Sir, I would like to ask only two clarifications. Sir, I am asking only one or two questions.

My first question is this: Will the Government, in view of what I have submitted, cancel forthwith all arrangements and all authority given to Fairfax?

AN HON. MEMBER: And thereby all the illegal holdings.

SHRI MADAN BHATIA: My second question: Will the Government take any action against those who have divulged any information in violation of section 44(2) of the Foreign Exchange Regulation Act?

Sir, my third question: Has the Government of India prescribed any norms for accountability of officials under the circumstances such as these and, if so, will the Government of India consider any follow-up action? Thank you, Sir.

MR. CHAIRMAN: Now, Mr. Chitta

SHRI CHITTA BASU: Sir, I have listened to his speech. (*Interruptions*).

MR. CHAIRMAN: Nothing will go on record. Yes, Mr. Chitta Basu, you continue.

SHRI CHITTA BASU: Sir, I have listened to the speech of the hon. Member, Shri Bhatia. Sir, with regard to the arguments made by him I feel that this is not the forum where he should have made these arguments. Actually, he should have made these arguments before the Commission which has already been appointed to go into the appointment of the Fairfax agency because the question is that the appointment has been made and even the statement of the Minister of State for Finance says that there has been authorisation by the Government to go to the Fairfax Group for the investigation of certain aspects. I think Shri Vishwanath Pratap Singh is capable enough to defend himself. He is conscious of his responsibilities to his countrymen. I hope and I believe that he shall not fail his countrymen at this particular juncture. Therefore, I don't have to defend him. He is capable of defending him. He is quite capable to combat the attacks which have been mounted on him by the members of the Treasury Benches, particularly Mr. N. K. P. Salve. He can defend himself. I am not defending him.

4.00 P.M

Now, the question is whether the hiring of services of the Fairfax was in contravention of the policies and stand of the Government at that particular point of time. I have got my information to share with the House. A preliminary report was prepared about the accumulation of money abroad by the Economic Intelligence Bureau of the Finance Ministry in November, 1986. Mr. Brahm Dutt and his Ministry might be in possession of that preliminary report. That

[Shri Chitta Basu]

report was prepared by the Indian officers of the Directorate of Enforcement of the Finance Ministry. It was felt at that particular point of time that the Indian officers were few in number and the number and the volume of work was very large. Therefore, they decided to strengthen the foreign wing of the Economic Intelligence Bureau. Some more officers were recruited for the purpose. It was found that our Indian officials of the Foreign Wing did not have the requisite expertise and that it would also require quite a lot of money to pursue the cases about which some information was already made available to the Government of India which appeared in the preliminary report of the Economic Intelligence Bureau of the Finance Ministry. Now the point is whether it is proper to purchase information from foreign countries through some other agencies, whether it be Fairfax or some other agency. Sir, I would like to read a particular line from the Mainstream. Several hon. Members will agree with me that the Editor of Mainstream is not a supporter of the side. He has always been a supporter of the establishment. You know him. I also know him. (*Interruptions*)

(*Interruptions*) told the Prime Minister. **PAWAN KUMAR BANSAL**) in the Chair]

He understands the implication. He says editorially that it is being made out that Mr. V. P. Singh was guilty of indiscretion in bringing a foreign agency for probing into the cases of Indian business firms. He further says that hiring of outside agencies is nothing unusual. (*Interruptions*) While making the statement, Mr. Vishwanath Pratap Singh is on record and I quote him. It is his statement as Finance Minister. He was the Finance Minister of the country at that time. "Anyway, in the Finance Ministry we are purchasing informations of this kind everyday and everywhere else in the world."

AN HON. MEMBER: Where is Mr. Bhatia now to answer?

SHRI CHITTA BASU: Now, to get information from certain foreign sources has been the practice of this Government and the Government cannot deny this practice. Even today I have got the information, Mr. Shiv Shanker, that you have, apart from appointing FAIRFAX, appointed two or three other companies, who belong to the United Kingdom and Sweden.

SHRI P. SHIV SHANKER: I do not know Mr. Chitta Basu.

SHRI CHITTA BASU: Yes, You do not know.

AN. HON. MEMBER: Where is the collective responsibility?

SHRI CHITTA BASU: Therefore, my point is that hiring or engaging the services of some private agencies abroad is not a new thing which has been brought in by Mr. Vishwanath Pratap Singh. Earlier Finance Ministers have also accepted this practice and allowed the Enforcement Directorate to pursue the matter whenever they found it necessary. On the other hand, I feel the core of the question in the whole episode is, we should not isolate it, namely, the question of accummulation of illegal money by Indians or Indian corporates outside the country and siphoning it from India to other foreign banks. That is the question involved. And the Government of India's Finance Ministry did take upon itself the responsibility of pursuing the matter. And, in course of pursuing the matter they took the decision of hiring the services of FAIRFAX which is already in practice. Mr. V. P. Singh has not gone beyond the scope and jurisdiction of the policy which has already been laid down by the Government of India. Therefore, as a matter of fact, he was completely functioning under the principle of collective responsibility. Mr. Bhatia was unnecessarily making this and that kind of argument which knocks the bottom of

the principle of collective responsibility because it was within the framework of the Finance Ministry's policy stand.

Now, the FAIRFAX has already made it known through interviews that many significant informations have been handed over or turned over to the Government of India, and, *inter alia*, it is mentioned that there are some crucial informations also. Now, it is the right of Parliament to know whether such informations were available with the Government of India.

Now, Sir, from the statement made today, it is clear that no such informations were available. Then, that was one of the items or one of the matters for which the inquiry commission has been set up. You have already answered the question. Then, what was the need of having that inquiry commission. The FAIRFAX says that very important informations were handed over to the Government. You say that nothing is available from the FAIRFAX. Then why has it been included in the terms of reference? Is not the institution of the commission itself an exercise in futility? Is it not a subterfuge to take the issues beyond the jurisdiction of Parliament? It is only for that purpose that it has been instituted. What else is it?

Now, the FAIRFAX claims that you had appointed them and you have not terminated their services. When did you appoint them? And they are still investigating. It is a fact. And if you agree that Fairfax was an agent of CIA, and you could discover it at a particular point of time, why did you not terminate their services? And still they claim they are continuing investigations on the authority given by you. And I find that the Government of India are making frantic efforts, sending some highly placed officials of the Ministry to go over to Washington. I know it from the press reports appearing in the Statesman which says that you have sent some officials there to hush up, to persuade Fairfax not to give more information, or to create some problems for them there. And if you permit me to say, the Chairman of Fairfax company, in the course of his interview given to the Statesman has made certain disparaging remarks about the Government and if you are so sure of your ground, what have you done about it? What particular steps you have taken against the disparaging remarks being made by the Chairman of a company from abroad? It is because you are afraid that something is very dangerous for you and, therefore, you do not want to take recourse to other measures against the disparaging remarks being continuously made by Mr. Hershman in the course of his interviews given to the Statesman and other newspapers. Now, Hershman also made certain remarks involving the Prime Minister. I want to know at what stage and under what circumstances the Prime Minister could know about the appointment of Fairfax? What are the compelling reasons for having instituted an enquiry? In course of your statement you said in para 2 that a number of issues have arisen in relation to this company. Now, you made a statement. Mr. Vishwanath Paratap Singh shared the responsibility and he made a public statement by saying that he cannot disown the responsibility and he accepted his responsibility. What additional issues were there after the statement being made in Parliament which compelled you to institute an enquiry commission? May I know whether it is these factors alone which have influenced you? Is it the transfer of some officers from the Directorate of Enforcement? Is it one of the issues? Is it the statement of the former Finance Minister owning the responsibility for engaging a particular company, that has compelled you? Is it a fact that the Fairfax company in the course of their investigation, exposed the involvement

[Shri Chitta Basu]

of some persons who are very close to the Prime Minister and responsible for siphoning money from India? Are these the fresh issues, the new issue which have compelled you to appoint a commission of enquiry? If you had appointed the commission for that purpose, the terms of reference would have been different. But the terms of reference says nothing about that. It does not touch the very core questions of accumulation of illegal money. As a matter of fact, according to our information, available from different sources, more than Rs. 30,000 crores have been siphoned away from India and deposited in foreign banks in the name of many individuals, in the name of many corporate organisations and individuals who are very close politically to the establishment. What steps you want to take at this particular stage to probe into that, to probe into the particular aspect, the aspect of accumulation of illegal money in foreign banks? I would like to know this from the Hon. Minister. In this case, I would like to know whether the Government is prepared to submit or place before this House all the information in this regard in respect of appointment of Fairfax, information reported to have been handed over to you, action taken by the Government on the basis of this information available from Fairfax and what follow-up measures were taken in respect of the preliminary report prepared by the Enforcement Directorate of your Ministry and the intelligence so far collected in this regard. Are you in a position to do so? Do you agree to place a white paper containing all the information? Then, based on that, Parliament can formulate its own view and find out ways and means as to how the matter can be pursued.

SHRI KALPNATH RAI: White paper is capitalistic.

SHRI CHITTA BASU: You can have a black paper also.

SHRIMATI MARGARET ALVA: We will give you a red paper.

SHRI CHITTA BASU: But you have blackened your face already.

There is no doubt that you have blackened your face.

श्री कल्पनाथ राय : आपके चेहरे तो पहले से काले हैं ।

श्री चित्त बसु : अरे, हमारा चेहरा तो काला ही है । लेकिन काले धन से काला नहीं हुआ है ... (व्यवधान) ...

श्री सूरज प्रसाद (बिहार) : इनका नेचुरल है और आपका बनावटी है ... (व्यवधान) ...

Therefore, Sir, I would like to know whether the Government is prepared to place before Parliament all the information in this respect either in the form of a white paper—I am not enamoured of white paper—or a black paper whatever they like. All the information should be made available to Parliament on this particular aspect of siphoning away Indian money abroad, money acquired illegally. In this case, I think, there is no necessity of continuing the judicial enquiry because the terms of reference are not framed in such a manner which will help us to have any new light on the issue. All information is available with the Government and I do not know what specific purpose will be served by this judicial proble. I want that all facts should be placed on the Table of the House so that the country can know what is happening. It is nothing but a loot. It is nothing but sheltering some people who are very close to the Government and the establishment who have accumulated a lot of money and who are creating this kind of uncleanliness in the economy and politics of this Government.

SHRI MURASOLI MARAN (Tamil Nadu): Mr. Vice-Chairman, Sir, it is very strange that a leak by a minor league detective agency could cause

such shock-waves all over the nation from Kashmir to Kanyakumari. It clearly shows how our system is so fragile that we could not bear the shock-wave of an enquiry by an ordinary detective agency.

Sir, had there been a different occasion, this Fairfax enquiry would not have created even a single ripple, but look at the sequence of events. A Fairfax Inquiry is ordered. Then a file comes into existence regarding the facts given by Fairfax. Suddenly, Mr. V. P. Singh is transferred from his Finance Ministry. Then Mr. Bhurelal, the chief of Enforcement Directorate is transferred and then Mr. Pande, the Revenue Secretary, is also shifted. (*Interruptions*). He has been given some other responsibility. So, look at the sequence of events. There should be some nexus. The common man in the street is sovereign in a democracy. He may not be aware of the intricacies of the debate, but it is the responsibility of the Government to explain to him whether there is any connection between the Fairfax report and the transfer of Mr. V. P. Singh or Mr. Bhurelal or shifting Mr. Pande from one position to another.

Sir, Mr. Bhatia in an eloquent way misdirected the House. In fact, the Fairfax enquiry is not under the FERA. Actually, it was an attempt to purchase information and I was surprised to see how eminent people from other side were applauding his speech by thumping the desks. It shows what kind of allergy it has created throughout the minds of these people. I was so sorry to see that. I am afraid that they make Mr. Bhatia as the next Law Minister also. I am saying so without casting aspersions on the present Law Minister. He has misdirected the House and I do not know why they jubilantly welcomed his speech. Look at the terms of reference. As Mr. Advani has pointed out 13 questions have been put to the Inquiry Commission in the terms of reference and almost all of them, 12 or 13 of them, relate to Mr. V. P. Singh, his conduct, who authorised it, whether it is under the rules and regulations and why it should be there. Here on the floor of the House Mr. V. P. Singh the former Finance Minister, has owned the responsibility. He says, "I have ordered it." He says, "I have given the authority to the officials." Then, why should there be an enquiry at all? Was the security of India prejudiced in any manner by making such an arrangement? This is very strange. We are ridiculing ourselves. How can the security of India be in danger by appointing a foreign agent? People say that they are from U.S., they are from other countries and so they may be having connections with CIA. I am sorry we should not underestimate CIA. CIA people are not so foolish as not to know about the conduct of this file or about the Indians holding money in foreign countries (*Interruptions*). That is a different matter, I do not want to go into that. This is not the first time that our Finance Ministry has engaged a foreign agency. In the case of a Rajmata of a former princely State a foreign agency was appointed. In the case of crimes, narcotics and other international crimes we seek the help of Interpol and other international agencies. Here is an economic crime. What is wrong in getting the help of a foreign agency? I do not think it will destabilise the country. Ours is the greatest democracy in the world. It is not a banana Republic. Nobody, no power on earth, can destabilise us. So, Sir, they may be having many other reasons against Mr. V. P. Singh, but one thing is certain. You know the powerful Centre at Delhi, it is suffering from too much of insecurity. That is my conclusion. The insecurity among the top leadership probably is one of the reasons to send him out. You might have heard, in America if a child is born it will be greeted as a future president of America. I think in Uttar Pradesh also every new-born child will be

[Shri Murasoli Maran]

greeted as the future Prime Minister of India. I think that is the virus spreading in U.P. I do not find fault with that because, it is, I think, as Mr. K. M. Panniker has said, "India, that is Bharat, that is U.P." If Mr. Charan Singh can have an ambition like that, why not Mr. V. P. Singh? It also indicates the insecurity of the top leadership in Delhi. It may be one of the reasons. There are several rumours. Mr. Upendra put it very clearly. Nobody is happy regarding Fairfax thing. Several things are being talked about it. The rumour mills are busy gristing. There are rumours; there are exposures; every paper has come out with some article or the other, including some accusing the Prime Minister, his family, his close friends. In the other House they have mentioned names. I do not want to go into those. I am very sorry it is a tragedy. Here now is an opportunity for the Government to dispel all the doubts. It should not prolong the thing. I think, once again, Mr Brahm Dutt is doing tight-rope walking and gymnastics. He comes out that the Government has authorised the Fairfax. Now you say you have authorised Fairfax. It is in your statement.

SHRI SATYA PRAKASH MALAVIYA (Uttar Pradesh): He says, the Directorate of Enforcement, not the Government.

SHRI MURASOLI MARAN: It is a part of the Government. I do not find any difference. At the same time he maintains that no such information has so far been made available. Sir, I do not want to go into details. Mr. Chitta Basu has read it. They have clearly said in a press statement that they have turned over many facts to Government of India. It is very clear. Mr. Hershman says: "We have given facts". But the Minister says: "nothing has been given". He can score a debating point because he is going to speak last and he can technically say nothing and escape. Facts should come out. They say, no money has been given. The famous journalist, Mr. Kuldip Nayar, says 3300 dollars have been paid to them, probably not by you, but on behalf of you. Technically not by you but by somebody. But don't stand on technical formalities. Be candid to the people. But candid to the House. We don't mind who paid. This is not the question. But whether money was paid was the question. It may be from the Government of India, or it may be from a business house or a press baron. The point is money was paid. The hon. Minister should come out with all the facts.

Another thing, two Supreme Court Judges have been appointed. It is really a fact-finding commission? I would say it is a blame-finding commission on Mr. V. P. Singh. The famous national daily, the *Hindu*, has recently published a cartoon. A chamber is locked with a huge lock called "Fairfax". Several people are going to try to open it. Two Supreme Court Judges arrive with two keys. But somebody else is sitting with the real key. You know who is that somebody? It is none else than the Prime Minister, according to that national daily. So the Prime Minister knows the facts. Or Mr. V. P. Singh may be knowing the facts. Why are you unnecessarily putting the Commission there? This is really an exercise in waste. You want to divert the attention of the people. That is why once again I request the hon. Minister to think twice before he misleads the House once again.

SHRI BRAHM DUTT: Once again!

SHRI MURASOLI MARAN: One thing is very clear. You remove the frills regarding the Commission, the arguments from this side, the arguments from the other side, arguments right from Mr. Bhatia and others—you remove all these. One thing is

clear. Illegal funds in foreign countries stand like a Himalayan mountain. Nobody can forget it because many people have given the figures. Even the International Monetary Fund has stated very clearly that in one year in one country about 1300 crores of Indian money is lying. So, it is a report of the IMF. Thirdly, Sir, the London *Economist* of last month has given a very detailed account of it. The net flight of capital from India and other countries they have made a list and India occupies the eighth place, headed by Mexico, Venezuela and Argentina. So, this is our account. Now India stands classified with Philippines of Marcos. So. our money is there. According to one calculation, more than Rs. 25,000 crores are lying not only in Switzerland but in many other countries where they give shelter. This money of Rs. 25,000 crores is enough to finance the foreign exchange component of two Five-Year Plans. The point is, forget about the smaller things; regarding inner party things, you can settle them in time But here Rs. 25,000 crores are in foreign countries. I would like to tell the honourable Prime Minister that we should do something about it. This amount is equal to the foreign exchange component of two Five-Year Plans. Therefore, who are these people holding that money? It has not come from ordinary people. The International Monetary Fund has given the report. (*Time bell rings*)... I will finish after putting some questions.

It is said in the press, in the magazines and elsewhere, that Fairfax people have given a file to the powers-that-be. I would like to know from the honourable Minister whether any file is existing. It is also said that the file contains the names of 30 to 40 persons who are closely related to the powers-that-be—I do not want to go into the details. I would like to know whether the file is in existence. Everybody is talking about it: Where is the file? I am told the file is missing.

Sir, I am also sorry to say—that Mr. Bhurelal was transferred immediately. Why? He was Chief of the Enforcement Directorate. He was subjected to the lie detection test also, I am told. Why was he subjected to the lie detection test? Why were his office and house searched unofficially by the C.B.I.? Why were they raided? I want an answer because this is the gossip going on. If it is true, it is very sad. If you say it has not happened, we will feel very happy. Then, if there is a file, you produce it. The story goes like this, that because the file is missing he was put to the lie detection test and his house and office were searched. All this runs into a sequence. I want a candid answer. Like my colleagues in the Opposition, I demand a proble by a parliamentary committee. Now this judicial enquiry is not at all necessary, if you ask me. As *The Hindu* cartoon says, those who are there at the top in power know all the answer. This is just blame-finding.

If you want to put the blame on Mr. V. P. Singh or if you want to harm him, that is a different matter. But technically it is no answer. A parliamentary committee like my friends have suggested, I also suggest. These are all small matters to go into. But thousands of crores of rupees of our money are lying abroad. Theferore, I demand a probe by a parliamentary committee.

श्री सत्य प्रकाश मालवीय : माननीय उपसभाध्यक्ष महोदय, गत वर्ष सन 1986 में इंस्टिट्यूट आफ पब्लिक एडमिनिस्ट्रेशन की रिपोर्ट पर जब इस सदन में बहस हो रही थी तो उस रिपोर्ट में यह बात सामने आई थी कि इस देश में करीब करीब 37 हजार करोड़ रुपयों का काला धन है। उस समय तत्कालीन वित्त मंत्री जी ने बहस में हस्तक्षेप करते हुए कहा था कि कानून के हाथ बहुत लम्बे है और काले धन की तिजोरी तक कानून के हाथ

[श्री सत्य प्रकाश मालवीय]

पहुंचेंगे । हमारा जो विदेशी मुद्रा अधिनियम है उसका उल्लंघन करके इस देश के बड़े-बड़े फिल्म स्टारों, बड़े-बड़े उद्योगपतियों, राजनैतिक लोगों या बड़े-बड़े नौकरशाहों ने सरकार की आंखों में धूल झोंक कर विदेशों में जाकर अपना धन जमा किया है। गत वर्ष जब एमनेस्टी स्कीम की घोषणा हुई तो उस समय वित्त मंत्री जी ने घोषणा की थी कि कानून के जरिये हम जितने भी काले धन वाले हैं उनको पकड़ने की कोशिश करेंगे और उस समय इस सिलसिले में बहुत जगह रेड भी हुए, बहुत जगह पुलिस ने जाकर के पकड़ा भी और एक मामले में तो सुप्रीम कोर्ट ने जमानत भी दे दी । लेकिन वित्त मंत्री जी ने यह घोषणा भी की थी कि जो काले धन वालों के ऊपर रेड डाले जा रहे हैं पुलिस या इनकमटेक्स वाले जा रहे हैं इस काम के पीछे हम को प्रधान मंत्री जी का पूरा सहयोग है और प्रधान मन्त्री जी तथा हमारी सरकार की जो नीति है उसका हम अनुपालन कर रहे हैं । इसी परिप्रेक्ष्य में वित्त मन्त्री जी ने जो वक्तव्य दिया है उस में इस बात की सूचना दी है । जिससे स्पष्ट हो जाता है कि फेयरफैक्स के सिलसिले में जो जांच बैठायी गई सूचना एकत्रित करने के लिए वह सरकार की घोषित नीति के अनुसार है । मन्त्री जी ने अपने वक्तव्य में कहा है :—

> "According to information available with the Government, the Directorate of Enforcement authorised the FAIRFAX Group Inc. of USA to collect information in regard to investigation of certain cases of violations of the Foreign Exchange Regulation Act."

जो विदेशी मुद्रा अधिनियम है जिसके उल्लंघन करने के सिलसिले में जो लोग अपना रुपया विदेशों में रखे हुए थे उनकी जांच करने के लिए या केवल उनकी सूचना एकत्रित करने के लिए फेयरफैक्स को यह काम जांच के लिए दिया गया था । इस सदन में इस बात को भी बतलाया गया कि इस सिलसिले में वित्त मन्त्री जी ने जब आदेश दिया तो शायद किसी प्रक्रिया का उल्लंघन हुआ हो लेकिन वित्त मंत्री जी के वक्तव्य की ओर मैं आपका ध्यान आकर्षित करना चाहता हूं जिसमें उन्होंने सारी जिम्मेदारी का स्वीकार करते हुए इस बात को कहा है कहीं भी किसी भी प्रक्रिया का उल्लंघन नहीं हुआ है । इसलिए मैं उनके वक्तव्य की ओर आपका ध्यान आकर्षित करना चाहता हूं :—

> "As you know, to investigate violations under Foreign Exchange Regulation Act you have to go abroad, since the suppliers are there. You also know that your strength abroad in these matters is very poor. We have only three or four men there. We did send some officers, and spent money on them, but intelligence is a question of contacts, which cannot be developed overnight.
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> "Then one of my officers (he was named, but off the record) told me about these U.S. companies which supply documentary evidence on economic offences, and take money only on supply of documents.
>
> "For us there could not be a better deal. Anyway in the Finance Ministry we are purchasing information of this kind every day, as everywhere else in the world. So I gave the matter the go-ahead."

लेकिन आज इस बात की चर्चा यहां की जा रही है और जो जस्टिस ठक्कर और जस्टिस नटराजन आयोग बैठाया गया है उस के टर्म्स आफ रेफेंस में इस बात की चर्चा की गई है किन कारणों के आधार पर यह आयोग बैठाया गया है। जहां तक मेरी जानकारी है किसी भी कैबिनेट स्तर के मन्त्री को जो कोई भी वह आदेश देता है उसके लिए

न तो मंत्रीमण्डल की स्वीकृति की आवश्यकता है और न प्रधानमन्त्री की स्वीकृति की आवश्यकता होती है । मेरी समझ में नहीं आ रहा है कि जब वित्त मंत्री जी ने इस प्रकार का आदेश दिया और जब उनका स्पष्ट आदेश था और जिस आदेश का डायरेक्टर आफ इनफोर्समेंट ने अनुसालन किया तो एक रात में अचानक डायरेक्टर का ट्रांसफर किया जाता है और तीन दिन तक समाचार-पत्रों में खबरें आई हैं कि तीन दिन तक इस डायरेक्टर से सी० बी० आई० के लोग पूछताछ करते रहे । यहां तक खबर आई है कि यहां जो लाल किला है वहां पर जा कर के पूछ-ताछ की गई । मैं जानना चाहता हूं कि इस प्रकार की जो समाचार-पत्रों में खबर आई थी क्या यह सही है, यदि यह असत्य थी तो यहां पर इसका खण्डन किया जाना चाहिए । दूसरा जो टर्म्स आफ रेफ्रेंस इन्क्वायरी कमीशन के अन्तर्गत हैं बराबर विरोध पक्ष तथा कई दूसरे माननीय सदस्यों ने इस बात की मांग की है कि जितनी भी सूचनाएं हैं वह सरकार के पास पत्रावलि मौजद है कागजात है उन में सारी सूचनाएं उपलब्ध हैं । इसलिए जांच आयोग अधिनियम के अन्तर्गत कोई भी जांच कराने की जांच बैठाने की आवश्यकता नहीं है । इसलिए मैं पुनः सरकार से अनुरोध करूंगा कि इनक्वायरी कमीशन जो बैठाया गया है इसको निरस्त किया जाए और इन्क्वायरी कमीशन के स्थान पर दोनों सदनों की एक संयुक्त समिति बना दी जाए उससे इस मामले की जांच करायी जाए क्योंकि जैसे गडवाणी जी ने भी कहा कि जो भी टर्म्स आफ रेफ्रेंस में दिया गया है जितनी भी सूचनाएं आपको एकत्रित करनी है जिन 13 प्वाइंट्स पर सूचना एकत्रित की जानी है जो मन्त्री जी का वक्तव्य हैं उस में ही उपलब्ध हैं क्योंकि फेयरफैक्स जांच जो बैठायी गई उनको कुछ रुपया दिया गया या नहीं दिया गया उसकी सूचना एकत्रित करने के लिए कहा गया है या उनसे जांच करने के लिए कहा गया है यह सारी चीजें मन्त्री जी ने अपने वक्तव्य में स्वीकार कर ली है । और इसलिए मान्यवर, मैं पुनः इस बात की मांग करूंगा कि जो न्यायिक जांच आयोग है इसको निरस्त किया जाये और इसके स्थान पर सीधे सीधे पार्लियामेंटरी कमेटी बैठाने की कृपा की जाये ।

दूसरा मेरा यह भी अनुरोध है कि जितने भी आर्थिक कानून हैं, जो लोग इन का उल्लंघन करते हैं, भंग करते हैं, इकनामिक आफेंडर्स हैं इनके सिलसिले में इस सदन में सरकार की ओर से एक प्रस्ताव आना चाहिए और वह प्रस्ताव यह होना चाहिए कि स्विस बैंकों में विदेशों में भारतीय लोगों के जितने खाते हैं उनकी उनको घोषणा करनी चाहिए और अगर इस सिलसिले में सरकार को सूचना देने से इन्कार करते हैं तो स्विस बैंक के अधिकारियों या उनकी सरकार के पास भारत सरकार को इस अनुरोध से जाना चाहिए कि वहां की सरकार यह सूचना उनको उपलब्ध कराये । अगर ऐसा नहीं होता है तो संयुक्त राष्ट्रसंघ के पास भारत सरकार ऐसा अनुरोध लेकर जाये कि वे उनको अनुरोध करें । दो ऐसे उदाहरण हैं । एक अमरीका का माफिया गैंग है उनका काफी रुपया स्विस बैंक्स में एकत्र था । जब अमेरीका सरकार ने स्विस अधिकारियों को कहा तो वहां के अधिकारियों ने अमेरिकी सरकार को सारी जानकारी उपलब्ध करायी, एक एक एकाउंट की जानकारी करायी , उनके खातों की जानकारी करायी । यही नहीं जितने लोगों के वहां पर एकाउंट थे उनकी जानकारी दी । दूसरा फिलिप्पीन के भूतपूर्व राष्ट्रपति मारकोस का अरबों रुपया स्विस बैंकों में जमा था । उसको बैंकों ने जब्त कराया और खत्म कर दिया है । आज भी इस बात की सूचना आई है कि स्विस बैंक जो कानून और अधिनियम हैं उनका पिछले मार्च महीने में संशोधन कर दिया गया है, उसमें परिवर्तन कर दिया गया है और इस बात का इंतजाम किया है कि यदि कुछ लोग चाहें तो उसकी जानकारी सरकार को कराई जा सकती है और इस सिलसिले में मैं उस उद्धरण को पढ़ना चाहता हूं । मार्च, 1987 में स्विस बैंकों के जो

[श्री सत्य प्रकाश मालवीय]

खाते हैं उनकी प्रणाली के संबंध में वहां पर संशोधन किया गया है और इस संबंध में पिछले दिनों एक संवाददाता ने अपने एक समाचार में लिखा कि अब स्विटजरलैंड के बैंकों में बेइमानी और भ्रष्ट तरीकों से कमाया हुआ कालाधन बेनामी खातों में जमा कराया जाता है तो वहां पर इस सिलसिले में संशोधन किया गया है क्योंकि स्विटजरलैंड के बैंकों ने पिछले सप्ताह एक ऐसे समझौते पर हस्ताक्षर किये हैं जिसमें बैंकों को ऐसे अधिकार दिए गए हैं कि वे ऐसा प्रबंध करेंगे कि कोई भी व्यक्ति या पार्टी बैंक के कानूनों के अनुसार जमा धन की जानकारी कर सकता है और यह सूचना किसी भी सरकार को दी जा सकती है और इसलिए मेरा अनुरोध है कि अगर इस प्रकार का बैंक कानून में संशोधन किया गया है तो उस सिलसिले में भारत सरकार को स्विस सरकार के पास जाना चाहिए और जा करके सारी जानकारी करनी चाहिए क्योंकि जितने भी कालेधन वाले लोग हैं इन्होंने हमारी अर्थव्यवस्था को चरमरा दिया है । इस सारे मामले में सारा देश चिंतित है इसलिए मेरा पूरा अनुरोध है कि इस संबंध में सरकार को अपनी ओर से एक प्रस्ताव ला करके स्विस सरकार से अनुरोध करना चाहिए कि जितने भी भारतीय लोगों के वहां पर खाते हैं उनकी जानकारी इस सरकार को कराने की कृपा करें और मुझे पुनः इस बात को कहते हुए कोई संकोच नहीं होता है कि इत्तिफाक से वित्त मंत्रीज रक्षा मंत्री जी लोक सभा के सदस्य नहीं थे अगर वे लोक सभा के सदस्य होते तो वहां पर उन्होंने जो त्यागपत्र दिया उस सिलसिले में अपना वक्तव्य दे सकते थे लेकिन वे राज्यसभा के सदस्य हैं लेकिन मैं उनसे अनुरोध करूंगा, आपके माध्यम से कि इस सिलसिले में उनको सारी चीजें इस सदन को बतानी चाहिएं । उन्होंने लखनऊ जाकर इस बात का वक्तव्य दिया है कि मैं अपने नेता के प्रति प्रतिबद्ध हूं और मैंने अपने नेता को वचन दिया है कि मैं इस सिलसिले में कोई वक्तव्य नहीं दूंगा, लेकिन मेरा उनसे अनुरोध है कि उनकी पार्टी के जो जो नेता हैं उनसे बड़ा यह देश है और देश के प्रति उनकी सेवा का सबसे बड़ा यह सबूत होगा कि वे इस सिलसिले में जो सही सही जानकारी है उसको इस सदन के माध्यम से इस देश को और देश की जनता को उपलब्ध कराये ।

SHRI N. E. BALARAM (Kerala): Sir, the whole Fairfax episode, according to me is the creation of the Government. There is no use of telling us that because of that some destabilisation forces are working against the Government and the question of security of the country is being threatened.

This is the creation by the Government under the leadership of the Prime Minister. You cannot avoid that responsibility. Here two Ministers are speaking in two voices.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I will request the hon. Members not to talk across the benches.

SHRI N. E. BALARAM: One is the Cabinet Minister and another is the Minister of State in the Ministry of Finance. Both of them agreed on one fact, that they tried to utilise a foreign agency for investigation. But of course, that fact has got two different versions. How much they speak about the collective functioning of the Cabinet? The two Ministers have got two different versions about one single fact. According to Shri Brahm Dutt, he said he was utilising the agency for some information. According to Mr. V. P. Singh, he has engaged this Fairfax agency for investigation on percentage payment basis. These are two separate versions about one fact. Here again, I can say that Shri Brahm Dutt says like this, according to him information available with the Government, the Directorate of Enforcement authorised the Fairfax group and the Govt. has nothing to do with this, the Ministry has nothing to do with this. This is Shri Brahm Dutt's stand. That is the way he puts the fact. But Shri V. P.

Singh when he was a Minister, he was the Minister for Defence, while he was returning from Visakhapatnam, he gave a press interview. He said, he takes the full responsibility of ordering an inquiry. It is he who did it. Not that a small fry or an officer had done it. He ordered an inquiry about this Fairfax incident. He said, he has done it because some important people are involved in taking away the money and keeping it abroad illegally. He mentioned the names in the statement of Reliance Company and some VIPs. He mentioned all those names. So, this Reliance Company and some VIPs were illegally transferring their money to some foreign banks and keeping it there. When this news came to the Finance Minister, he has ordered an inquiry. This is the stand taken by Shri V. P. Singh when he was a senior Cabinet Minister. So, it is a strange way of collective functioning. One Cabinet Minister says, I take the whole responsibility, I have ordered the inquiry, I know certain facts, I know certain people who are committing economic offences. He came forward and he plainly told everything to the press conference. Now Shri Brahm Dutt says that he has got some information through some officer and one director of the Enforcement. So, an inquiry is needed. They have not got any other material. This is a strange case. This is the way you are putting things across. These two things are the reflection of some serious crisis inside the Cabinet. That is why two Ministers are speaking in two voices. The Ministers are interpreting one fact in two ways. You cannot come here as a team and tell us what is happening in the Government. Who asked you to appoint Fairfax? Is it the Opposition parties? Some gentlemen from that side was asking us: Do you know who is this Fairfax? Do you know the connection between Fairfax and CIA? Do you know how they are destabilising the Government? I will ask you a simple question, a very simple question. You are allowing a large number of multinational corporations to come and destabilise our economy. Aren't you? You know very well the Reliance have got their collaborators in America, Dupone and others. They are trying to destabilise the Indian economy. You can allow them to destabilise our economy and they are quite welcome to you. And you tell us, "you are encouraging forces of destabilisation". Are you taking a principled stand on all these matters? You are not taking a principled stand. You are divided. You have differences of opinion. One section of Ministers wants one thing, another section wants another. One section wants monopoly to help one section of the other section to help other section of monopoly. It is this division among you which has created this political crisis. Otherwise how could two Ministers speak in two different ways?

Coming to the commission, what is the need for an inquiry commission? I have gone through your terms of reference. Except one thing, all the other facts are known to all of us throughout India, not only in Parliament, through the press, with the help of the press, the entire facts are known to the public. Either you deny them or admit that they are facts. Tell us the facts. If those are not facts, say so and tell us what the facts are. Many facts have come out. The first fact is you have already appointed or engaged -- I do not know the meaning of the word 'engaged'; maybe, it is hiring, purchasing information, or whatever. If that is the position you are taking, then the whole commission will collapse within a minute. He is a lawyer and he knows better. What is the main point? The main point is that Fairfax company has been engaged. Of course, it depends upon the interpretation of the word 'engaged'. If somebody says it is not an engagement..

SHRI P. SHIV SHANKER: Engagement is not marriage,

SHRI LAL K. ADVANI: Courtship.

SHRI N. E. BALARAM: I know that. That is how they are saying

Now, if somebody says it is not an engagement, it is only hiring, then all the thirteen points collapse. If the reply of

[Shri N. E. Balaram]

the Government is that we have not engaged, we have only thought of hiring some information from them, the whole argument collapses. Doesn't it? I know what commissions of inquiry mean in this land. Nobody has got any belief in any commission that you appoint. You must understand that. This is the way you are functioning. The only thing you want the commission to inquire into is a political thing. Do you think that political things can be inquired into by two Supreme Court Judges? I am not casting any aspersion against them. I am asking you: Do you want political inquiries to be decided by the Judges? The only thing to be inquired into was: Was the security of India projected in any manner in making this arrangement? So, the Judges are asked to examine only one point: Whether the security of India is projected by this act or not. This act was done by the Government. This appointment was done by the Government. If you say that you did not do it, it is only the work of Shri V. P. Singh, one man, one Cabinet member, who did not consult anybody, he has done against the interests of the country. If he is conspiring -- that is what you say - with foreign agencies, then tell us. It is a clear way of telling the fact. Tell us that this gentleman, Mr. V. P. Singh, without consulting the Prime Minister or the Cabinet has committed all these mistakes. Then the Government can reconsider the entire position. If that is the position, then come and tell us. In that way I am not holding any brief for Mr. V. P. Singh. After all, he is a Congressman. If that is the political position, the Prime Minister should say that I do not know whether he is the No. 2 or No. 3 man in the Cabinet. I thought he was next to the Prime Minister. If it is your position that he has done a wrong thing, he has done things which create problems for the security of the country, if that is your opinion, you tell us. The opinion of the Opposition parties is that you invited the Fairfax group. Are you not holding any responsibility as Cabinet? You say you are functioning collectively. So, the Cabinet, under the leadership of the Prime Minister, invited a foreign agency to create security problems for India. Is that the position now? Is it not the position? If that is the position, then you should say the honest thing that Mr. V. P. Singh is an agent of the CIA and he has created this position and you should expel him from the party. These are the two choices before you. The kitchen in our villages is far more better. The village kitchen is far better because the ladies there co-operate. The Cabinet is not at all functioning collectively. Now, you come and tell us, in different voices and different versions, about one fact. Why should he come and tell us this? He could have told the Prime Minister (Interruptions). He could have told the Prime Minister. Your party is commiting a serious mistake. The appointment of Fairfax was done by the Congress (I) Party and thereby you are creating a security problem for our country. You are saying that the country is in danger.

SHRIMATI MARGARET ALVA: So what?

SHRI N. E. BALARAM: So, what I am saying is that I am not in favour of any foreign agency. My point is that in the name of security, under the refrain of destabilisation, you are trying to cover up the main issue and the main issue is that you are trying to defend the Reliance Group and the VIPs abroad. (*Interruptions*). Two weeks back I read in the Press that the Reliance Company was allowed by the Customs officers in Bombay to take whatever they wanted to take and the order was issued from the Finance Ministry. Who issued that order? It is the Prime Minister who cleared it. You want to defend the Reliance Company and the 2 VIPs. You know who they are? I do not want to mention the names of these two VIPs. I would only quote a statement issued by that VIP and I do not want to mention the name because the Chairman has ruled that we should not mention names. It came in the "Sunday" magazine. When the whole debate was on, he issued a statement in the "Sunday" Weekly. That gentlemen has said and I quote: "If all the money that the Government has spent on detective agencies to in-

vestigate me and my brother.....". You know who that gentlemen is? He says, "me and my brother....". He issued a statement in the 'Sunday" magazine. You want to profect this sort of people who are committing economic offences, who want to transfer money illegally to the Swiss banks, and you want to protect the people who want to become millionaires. You want to protect certain monopoly companies and that is why you have landed yourself in such a very critical situation.

You are thinking how to escape out of it (*Time bell rings*) I am concluding, Sir. You cannot get out of this trouble. You cannot easily get out of it because the whole country has come to know of what has been happening. In fact, there is no democracy in this country. There is single man's rule. (*Interruptions*). You yourself admitted that. We came to know of it now. But you were aware of it. The Cabinet is not working as a team. The Ministers are issuing orders without knowing each other. you are not going to escape that There is no use or purpose of appointing this Inquiry Commission. The only way out of this situation is that you must place all the facts before us or before the Parliament. (*Time bell rings*). We are depending on the newspapers. At least the newspapers are saving the country nowadays. They are giving us facts (*Interruptions*). When they praise Rajiv Gandhi, they are good papers. But when they criticise Rajiv Gandhi, you say 'oh'.

5 P. M.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Please conclude. Otherwise, I will call the next speaker.

SHRI N. E. BALARAM: Many of the facts might have been destroyed. All the facts available should be placed before this Parliament. Then you should appoint a Parliamentary Committee. All of us should sit together and find a way out as how to solve this problem. Otherwise you cannot escape. This is the beginning of something else which I am not going to guests.

श्री कल्पनाथ राय : आदरणीय उपसभाध्यक्ष महोदय, आज राष्ट्र विरोधी ताकतें हमारे देश के अंदर पोलिटिकल इनस्टेबिलिटी करने की कोशिश करने में लगी हुई हैं । इसके लिए वे गलत तरीकों का इस्तेमाल कर रही हैं । उनके इरादे बड़े भयावह हैं । वे किसी भी कीमत पर और किसी भी तरीके से देश की अखंडता को भंग करने में लगी हैं और अपने इस उद्देश्य की पूर्ति के लिए तमाम तरह के षड़यंत्रों में लगी हैं । उनके खेल जाने पहचाने है, उनकी चालबाजियां जानी पहचानी हैं । वे जानते हैं कि कांग्रेस पार्टी को तोड़े बगैर इस देश को वे नहीं तोड़ सकते । वे यह भी जानते हैं कि इसका पहला निशाना कांग्रेस पार्टी है और दूसरा निशाना राष्ट्र के नेता राजीव गांधी हैं । कांग्रेस पार्टी कौन है ? यह आजादी की पार्टी है, कांग्रेस पार्टी तरक्की की पार्टी है । यह समाजवाद की पार्टी है, यह आजादी की पार्टी है । ...(व्यवधान)

श्री शरद यादव (उत्तर प्रदेश) : यह भ्रष्टाचार की पार्टी है । ...(व्यवधान)

श्री कल्पनाथ राय : ये तो बहुराष्ट्रीय कंपनियों के दोस्त हैं । इनकी विदेशी आकाओं से मिली भगत है । मैं किसी व्यक्ति का नाम नहीं लेना चाहता, मगर दूसरे विश्व युद्ध के बाद इनका सारा इतिहास डेवलपिंग कंट्रीज में पोलिटिकल इनस्टेबिलिटी पैदा करना रहा है । ये खतरा हमारे देश में क्यों खड़ा हुआ ? क्योंकि भारत ने अपनी विदेश नीति से पीछे हटने से इंकार कर दिया, क्योंकि भारत ने महात्मा गांधी, जवाहरलाल नेहरू, श्रीमती इंदिरा गांधी की नीतियों पर चलने का दृढ़ संकल्प किया... (व्यवधान) भारत गुट निरपेक्षता की नीति का समर्थक है, नेता है, भारत ने फैसला किया हैं कि धर्म निरपेक्षता, जनतन्त्र, समाजवाद, राष्ट्रीयता के रास्ते पर भारत को शक्तिशाली बनाना है । दुनिया की साम्राज्यवादी फासिस्ट ताकतों के खिलाफ लड़कर के भारत को शक्तिशाली बनाने का काम जब और लोग कर रहे हैं तो ये कम्युनिस्ट पार्टी के

[श्री कल्पनाथ राय]

लोग हिन्दुस्तान को चीनी क्यों बनाना चाहते हैं ? (व्यवधान) आज वक्त आ गया है राजीव गांधी की कांग्रेस पार्टी, कम्युनिस्ट पार्टी, भारतीय कम्युनिस्ट पार्टी और दूसरी सारी देशभक्त पार्टियों को एक होकर साम्राज्यवाद के खिलाफ संघर्ष करना चाहिये। (व्यवधान)

श्रीमती रेणुका चौधरी (आंध्र प्रदेश): ए० बी० सी० कौन सी कांग्रेस पार्टी की बात कर रहे हैं आप ? (व्यवधान)

श्री कल्पनाथ राय : आज यह सवाल क्यों उठाया जा रहा है इसका कुल मतलब यह है कांग्रेस पार्टी और उसके नेता भ्रष्ट हैं, करप्ट हैं यही एक इनकी प्लानिंग है। मैं बताना चाहता हूं कि यह आंदोलन कब से चला है। यह आंदोलन चला है 1971 से जब कि पूरे बंगला देश की जंग को जीतने के बाद हिंदुस्तान दुनिया का एक मेजर वर्ल्ड पावर बन गया था। 1971 के बाद पूरे देश में एक आंदोलन चला कि भ्रष्ट कांग्रेस को हटाना है, देश को बनाना है। पूरे देश में, पूरे देश की जनता के मन में इस तरह की भावना पैदा कर दी गयी और इस तरह से 1977 में जनता पार्टी सत्ता में आयी। क्या हुआ ? तुमने बीसों कमीशन बनाये, तुमने सारी दुनिया के बैंकों के खाते खुदवाये। जो कंगालों के बेटे करोड़पति बन गये थे उन जनता पार्टी के लोगों ने इंदिरा गांधी की जांच कराने के लिये कई कमीशन बनाये लेकिन मिला क्या ? कुछ नहीं। (व्यवधान)

श्रीमती रेणुका चौधरी : आपने क्या किया ?

श्री कल्पनाथ राय : आप हमसे अकेले में बाहर बात कीजियेगा। मैं आपको सब बता दूंगा। (व्यवधान)

श्रीमती रेणुका चौधरी : इन को रूल भी नहीं मालूम। इतने सालों से कुर्सी पर बैठे हुये हैं यह भी इनको मालूम नहीं कि मैंबर से किस तरह से बात करनी चाहिये। यह कायेंलेशन आफ द रूल है। इनको तहजीब नहीं है बात करने की। क्या सारा देश इसी तरह से चलाते हैं ? क्या पूरे देश के लिये अलग रूल है और अपने लिये अलग रूल है ? आप मेरे से क्यों बहस कर रहे हैं... (व्यवधान)

श्री कल्पनाथ राय : जैसे सीता अग्नि परीक्षा से निकलकर सामने आयी थीं वैसे ही विश्व की नेता श्रीमती इंदिरा गांधी 80 में अग्नि परीक्षा से निकल कर सत्ता में आयी थी। (व्यवधान) सारे देश में एक नारा लगा था उस वक्त कि मक्कारों के पाप की गठरी ढोने का वक्त नहीं है, इंदिरा गांधी देश बचाओ, सोने का वक्त नहीं है। यह हुआ था। आज हिंदुस्तान के अन्दर भाषा के झगड़े, क्षेत्रीयता के झगड़े, धर्म के झगड़े, जाति के झगड़े बहुत जोरदार ढंग से उठ रहे हैं और कोई भी राष्ट्रीय दल नहीं या कोई राष्ट्रीय नेता नहीं जो पूरे देश को एक नेतृत्व में ले जा सके सिवाय राजीव गांधी के। और आप लोग राजीव गांधी के ऊपर उंगली उठाते हैं। तुम लोग नहीं जानते राजीव गांधी को। (व्यवधान) तुम लोग श्री राजीव गांधी की क्या बात करते हो ? जिसकी मां हिंदुस्तान की आजादी के लिये जेल गई, जिसके पिता हिंदुस्तान की आजादी के लिये जेल गये, जिसके ग्रेन्ड फादर देश की आजादी के लिये जेल गये, जिसका पूरा परिवार भारत की बलिवेदी पर न्यौछावर हो गया, उसके खिलाफ तुम क्या बात करते हो ?... (व्यवधान)

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): I would request the hon. Members not to please interrupt the speaker. We have had enough of it and we have to conclude the debate now.

श्री कल्पनाथ राय : आदरणीय उपसभाध्यक्ष महोदय सन् 1980 में श्रीमती इंदिरा गांधी सत्ता में आती हैं। सन् 1980 से 1984 तक लगातार साम्राज्यवादी ताकतें देश को तोड़ने के लिये और पंजाब को तोड़ने के लिये साजिश करती रहीं। खालिस्तान का नारा भिंडरावाले ने लगाया। भिंडरा वाले खालिस्तान बनाने जा रहा था। लेकिन इंदिरा गांधी ने देश को टूटने नहीं दिया,

वे खुद मिट गई। उन्होंने देश को खंडित होने नहीं दिया। इंदिरा गांधी का हत्या हो गई ... (**व्यवधान**) ।

SHRI GURUDAS DAS GUPTA: I am on a point of order, Sir. This House is discussing a calling attention motion on a specific issue. While taking part in a calling attention motion, from the point of view of procedure, is it proper on the part of a Member to speak what he likes, to use the language that he is using? Is it permissible? We want your ruling... (*Interruptions*).

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): There is no point of order. But I would request Shri Kalpnath Rai to conclude.

श्री कल्पनाथ राय : आदरणीय उपसभाध्यक्ष महोदय, यह फेयरफेक्स का मामला हिन्दुस्तान को डिस्टेब्लाइज करने से जुड़ा हुआ है । ये वही ताकतें हैं जो हिन्दुस्तान को डिस्टैब्लाईज करने की बात कर रही हैं । कम्युनिस्टों का तो मानसिक दिवालिया हो चुका है... (**व्यवधान**) । भारत की करोड़ों-करोड़ जनता की मदद से राजीव गांधी सत्ता में आए हैं । तुम लोग उन्हें सत्ता में नहीं लाये हो, तुम्हारी मर्जी से वे सत्ता में नहीं आए हैं । आज हमारे देश में चरित्रहत्या इसलिए हो रही है कि कुछ लोग चाहते हैं कि कांग्रेस पार्टी टूट जाए देश की एकता टूट जाये । लेकिन यह कभी नहीं होगा । श्री राजीव गांधी के चरित्र की हत्या होगी तो देश टूट जाएगा । इसलिए मैं कहना चाहता हूं कि अगर थोड़ी भी देश से मुहब्बत है, थोड़ा सा भी राष्ट्र से प्रेम है (**व्यवधान**) अगर इस मुल्क को बचाना चाहते हैं (**व्यवधान**) रूस की कम्युनिस्ट पार्टी ने पहली बार अपनी कांग्रेस में नान-वायलेंस को स्वीकार किया है, पहली बार गोर्बाचोव ने हमारी पालिसी को स्वीकार किया है रूस की पोलिट ब्यूरो ने नान वायलेंस को स्वीकार किया है । सारी दुनियां से गरीबी हटाने के लिए सारी दुनियां में साम्राज्यवादी ताकतों को मिटाने के लिए, उपनिवेशवाद को मिटाने के लिए, राष्ट्र की एकता और अखण्डता को कायम रखने के लिए हमें डिस्टेब्लाइज करने वाली ताकतों के खिलाफ लड़ना होगा (**व्यवधान**) यह फेयरफैक्स की बात है । मैं यह कहना चाहता हूं कि कोई भी, मिनिस्टर, कोई भी चीफ मिनिस्टर अगर राष्ट्र के नेता की इच्छा के खिलाफ बिना विश्वास में लिये अगर कोई विदेशी सी०आई०ए० से लिंक रखने वाली एजेंसी को जांच के लिए बुलाता है तो उसको एक मिनट के लिए भी अपने साथ नहीं रहने देंगे । मैं साफ तरीके से कहना चाहता हूं कि यह हमारा निर्णय है । क्या समझते हो कि हम तुम्हारे जैसे लोगों को ले कर अपनी सरकार को चलाएंगे (**व्यवधान**) अमरीका की फेयरफैक्स एजेंसी का सी०आई०ए० से लिंक है, यू०एस० स्टेट डिपार्टमेंट से लिंक है (**व्यवधान**) (**समय की घंटी**) अभी समाप्त कर रहा हूं । अन्तिम बात मैं अपने विरोधी भाईयों से कहूंगा, भाईयो विदेशी ताकतें हमारे देश में आग लगाना चाहती हैं मगर याद रखना उनके टैंकरों में पानी नहीं है पेट्रोल है जो जलते हुए हिन्दुस्तान में आग बुझाने के नाम पर आएंगे पेट्रोल छिड़क देंगे । जो भी गांधी और नेहरू ने प्राप्त किया है, जल कर राख हो जाएगा । इसलिए देश को बचाने के लिए राजीव गांधी की इमेज को जिन्दा रखेंगे तो देश की एकता और अखण्डता को कायम रख सकेंगे ।

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Mr. Vice-Chairman, Sir, I have heard with rapt attention the speeches made by various speakers. While the Members of the Opposition have the right to tell Parliament what they feel about the situation, I felt a little disappointed and grieved because not one of the speakers from this side has been able to give any constructive suggestion. (*Interruptions*) Bear with me and then you will agree with me, you will know what I am going to say. When I say this, I do not mean any criticism of the Opposition. I mean only one thing. They have put across the point of view that a Parliamentary Committee should have been appointed instead of a Commission of Inquiry so that the facts would have

[Shri Ghulam Rasool Matto]

come out. Here is a Gazette Extraordinary Notification issued by the Government of India constituting the Commission of Inquiry. This has come to stay. The Congress Party is in majority and no power on earth either in this House or in the other House can undo what has been done While putting across their point of view, I would have liked the Members of the Opposition to give constructive suggestions in regard to this Commission of Inquiry. None of them have done this. They should have said as to what they felt about this Commission of Inquiry. (*Interruptions*). My point is, once this has been constituted, we should be realistic. We have not to go by the shadow but we have to look to the substance and the substance is that the Commission of Inquiry has come into existence. So, if there are any suggestions put across to the Government within the parameters of this Commission, they could be considered by them. For instance, I say, under clause 3 it is stipulated in this Government of India Notification that the Commission shall complete its enquiry and submit its report to the Central Government within a period of three months and the same shall be laid before the Parliament. But this very House, in the last session, has passed an amendment to the Commissions of Inquiry Act under which the Government is empowered to withhold any report or part thereof and not place it before this House. The Members of the opposition should have stressed this point and elicited an assurance from the Government that the report of the Commission shall be placed before this House.

SHRI PARVATHANENI UPENDRA: They have already said that it will be placed before the House.

SHRI GHULAM RASOOL MATTO: I beg to disagree with you. This is not the thing.

SHRI PARVATHANENI UPENDRA: The Government has already announced that the report will be placed before the House.

SHRI GHULAM RASOOL MATTO: My point is, while the Government has stated that the report of the Commission shall be placed before the House, it has also acquired the powers that after the receipt of the Commission's report and after its examination, if it thinks that it is not in the interest of the country, all or certain portions of the same can be withheld from Parliament. They can do so.

SHRI PARVATHANENI UPENDRA: Is it the position? If it is so, please note that. Please clarify that.

SHRI GHULAM RASOOL MATTO: The second point that I have to make is this.

[**The Deputy Chairman** in the Chair]

Whether it is a Parliamentary Committee or any other investigating agency, the purpose is to come to know the truth and certain conclusions. I will not go to the 13 or 14 terms of reference, but I will go only to two and that is, "what information, if any has been made available by the Government of India to the Fairfax group" and the last but most important thing is, " was the security of India prejudiced in any manner in making such arrangement. Now, what else would the Parliament Committee had done except this thing? This is quite enough. This Inquiry Commission has such wide terms of reference that it can do anything, it can place before the Members of Parliament any facts relating to the Fairfax issue. The members of opposition have not considered, but they have gone after the shadow and not the substance.

Madam Deputy Chairman, in my view this Commission has wide powers. It can bring you all the facts that any other parliamentary enquiry committee or otherwise, would possibly have brought out, about this case. I only wish and hope that when the report is received, the Government will place before

the Parliament all the facts about this case.

Lastly, Madam, Mr. Vishwanath Pratap Singh had, in one of the statements, stated that the test of a man is to be seen when he is provoked. But whatever the provocation, one should not come out in such a way that it shall jeopardize the interests of the country. We must be united, we must have stability, and this can be assured only when there is a complete unity amongst all parties, amongst the individuals. I hope that this will be conveyed to Mr. V. P. Singh and he will not act in a manner that will be detrimental to the interests of the country. Thank you.

SHRIMATI BIJOYA CHAKRAVARTY (Assam): The Fairfax controversy has exerted a serious impact on all of us. A matter of serious public concern not only concerns Government but also people at large. The supreme body should definitely not be kept in the dark regarding this serious issue. Government has got a declared policy. As a representatives of the people we must know its functioning. Why is there so much controversy and why are there controversial replies from different Ministers regarding a single issue? Why has a Minister to share responsibility? Is it a move to sheild somebody or is it a self-sacrifice? Where does the collective responsibility lie that the Prime Minister owes?

Sir, a democratic Government subsists on the courage of conviction of the leaders of the party in power to call a spade a spade. And if he fails to do so he cannot continue. The Fairfax issue is a brutal exposition of the sad state of things in the Government. In Assamese it means that the Government is cutting its own nose to spite someone else's.

We uphold the rule of law. A burglar and a corrupt VIP should be at par as far as the law is concerned. By going to shield the rich and influencial people against clutches of law the Government is adopting a policy of double standards. If big people are involved, let them face the law of the country. A member of the treasury bench tries his best to prove that it is illegal and unconstitutional to engage Fairfax, a foreign agency. He has taken much pain to do so. The Government is committed to the people. We want a clear light on the main issues. Whether legal or illegal, it is the Government which engaged Fairfax. So the Government is accountable to the people for their misdeed if it is so. As representatives of the people we want to know who are the corrupt people in the cuntry, who committed economic offence, how much money they have taken out of the country and where they have taken it. We want to know from the Prime Minster if he is not going to sheild somebody near to him, who engaged Fairfax, on what terms and conditions, what about the probe, etc. And the report whatsoever must be submitted to Parliament.

Thank you.

SHRI BRAHM DUTT: Madam.....

SHRI DIPEN GHOSH: Prime Minister should reply.

SHRI LAL K. ADVANI: This is not fair.

SHRI PARVATHANENI UPENDRA: Where is the Prime Minister?

SEVERAL HON. MEMBERS: We want the Prime Minister.

SHRI DIPEN GHOSH: You first listen to us. Madam, Deputy Chairman, first of all you listen to our plea. The Chairman..

THE DEPUTY CHAIRMAN: I know what your plea is. But he is going to give some information. Let him give the information and if you are not satisfied....

SEVERAL HON. MEMBERS: No, no.

SHRI PARVATHANENI UPENDRA: In the afternoon, the Chairman announced that the Prime Minister would come and participate in the discussion and were expecting the Prime Minister to clarify.

SHRI P. SHIV SHANKER: Madam, May I have my say? I thought they would listen to me. They can still stand up. What is the difficulty? (*Interruptions*).

SHRI DIPEN GHOSH: It is not a question of giving a chance. The question is, the Chairman has stated that the Prime Minister will come and participate in the debate and reply. The Prime Minister did

[Shri Dipen Ghosh]

come, but he did not intervene, nor did he reply. But the pointis, we have heard Mr. Brahm Dutt speaking in the other House, we have beard Mr. V. P. Singh while he was Minister, speaking in the other House. We have read Mr. V. P. Singh's statement. But now we want to know what the Prime Minister has to say as Head of the Government. We are not going to listen to anybody else other than the Prime Minister.

SHRI PARVATHANENI UPENDRA: There is nothing new that Mr. Brahm Dutt can give.

SHRI LAL K. ADVANI: Madam, since day before yesterday, this House has been agitated on this. For three days this House has been agitated over this.

SHRI M. S. GURUPADASWAMY: The Chairman said....

SHRI P. SHIV SHANKER: Madam, Deputy Chairman...

SHRI M. S. GURUPADASWAMY: .. when I requested the Chairman that Prime Minister should be here, he said he would be here and participate.

SHRI P. SHIV SHANKER: May I just make a submission? Let me make my submission? (*Interruptions*)

SHRI GURUDAS DAS GUPTA: We are not prepared to listen anybody other than the Prime Minister.

THE DEPUTY CHAIRMAN: First listen to what he has to say.

SHRI P. SHIV SHANKER: Madam, Deputy Chairman, the position is this. (*Interruptions*)

THE DEPUTY CHAIRMAN: You can speak after he has spoken.

SHRI M. S. GURUPADASWAMY: The Chairman had assured that Prime Minister will come and participate in the debate. You see the record. It is on record.

PROF. C. LAKSHMANNA: We would like to listen to what the Prime Minister has to say in this regard. And till we listen to the Prime Minister as to what is his position.....

SHRI M. S. GURUPADASWAMY: I requested the Chairman this afternoon that Prime Minister should intervene and clarify the whole matter. Then he said, he will participate.

THE DEPUTY CHAIRMAN: The Chairman did not say that he will come and intervene. He said that he will come here.....

(*Interruptions*)

SHRI DIPEN GHOSH: Madam Deputy Chairman, we are fed up of seeing the face. We are not satisfied with seeing the face. We want his reply. We want to make it clear that we are not going to listen to the reply of Mr. Brahm Dutt because Mr. Brahm Dutt... (*Interruptions*) We are not going to allow him. It is a question of collective responsibility. As Head of the Government the Prime Minister must discharge his responsibility.

SHRI KALPNATH RAI: The Minister of State will reply.

SHRI PARVATHANENI UPENDRA: On a point of order, Madam.

SHRI SHIV SHANKER: They should give me a chance to speak. Where is the point of order?... (*Interruptions*)...

SHRI PARVATHANENI UPENDRA: I am on a point of order. Kindly check from the record: The Chairman clearly announced that the Prime Minister would come and participate in the discussion.

SOME HON. MEMBERS: No, no.

SHRI PARVATHANENI UPENDRA: You see the record. The second thing is, participation does not mean just sitting in the seat. Participation means he must say something... (*Interruptions*) .... So many points were raised by the honourable Members in this House which can be answered only either by the Prime Minister or the erstwhile Finance Minister.... (*Interruptions*)... Let me complete, please.

SHRI KALPNATH RAI: No. The Minister of State for Finance, Mr. Brahm Dutt, will reply.

SHRI PARVATHANENI UPENDRA: Madam, if you are controlling us, you control him. I am on a point of order.

With a sense of responsibility I make the charge that the former Finance Minister wanted to clarify the ethings. He sent a chit to the Chairman... (*Interruptions*)...I stand on my word.

SOME HON. MEMBERS: No.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): This is not a point of order.

SHRI PARVATHANENI UPENDRA: I challenge. How do you know?

SHRI B. K. GADHVI: This is not a point of order.

SHRI PARVATHANENI UPENDRA: The former Finance Minister sent a chit to the Chairman that he wants to speak, and his party denied him the opportunity to speak... (*Interruptions*)...

SHRI B. K. GADHVI: I am on a point of order.

SHRI KALPNATH RAI: My party will decide.

SHRI PARVATHANENI UPENDRA: Therefore, the only alternative is for the Prime Minister to come and clarify all the points. Otherwise we are not going to listen to Mr. Brahm Dutt.

SHRI B. K. GADHVI: I am on a point of order. Mr. Dipen Ghosh has stated that they do not want to hear Mr. Brahm Dutt. It is not the right of the Opposition and that is why wha he said not correct. That is number one. Number two is, under thie guise of point or order he has made a charge. It is not a point of order and, therefore, it cannot go on record..... (*Interruptions*)

SHRI M. S. GURUPADASWAMY: Madam Deputy Chairman.....

SHRI P. SHIV SHANKER: Mr. Gurupadaswamy, I have been trying to catch the eye of the Deputy Chairman for a long time. My submission is this: The Prime Minister is participating in the other House in the debate because that is with reference to the No-Confidence Motion against the Speaker himself.

SHRI DIPEN GHOSH: Not against him.

SHRI P. SHIV SHANKER: I think you will have this much of sense to understand what I am saying... (*Interruptions*). Therefore the moment the debate is over, he would come. But the point is, they cannot insist that only the Prime Minister himself reply. There is no such rule and they cannot have any such right. On behalf of the Government the Minister of State...

SHRI DIPEN GHOSH: On a point of order... (*Interruptions*)...

SHRI M. S. GURUPADASWAMY: Madam, during my speech I made two specific requests. One was that the Prime Minister should come here and participate in the debate. I meant that he should reply. The second was that Mr. V. P. Singh should also clarify his position because he was attacked. I made these requests, and the Chairman said....

SHRI KALPNATH RAI: Who are you? (*Interruptions*)

SHRI M. S. GURUPADASWAMY: You show your culture. What shall I do? The Chairman said that the Prime Minister would come soon and he would participate. The allegations and the charges are against the Government, against the working of the Government, and the Prime Minister alone can participate. Therefore, if the Prime Minister is participating in the debate in the other House, we can adjourn this House, I suggest and meet again. (*Interruptions*)

SHRI DIPEN GHOSH: On a point of order, Madam Deputy Chairman.

THE DEPUTY CHAIRMAN: "I am reading out from the record. Mr. L. K. Advani suggested that instead of our hearing a repeat version from Mr. Brahm Dutt, let us hear from the spokesman of the Government, the Prime Minister and said that he would be happy. When Mr. Advani said this, the Chairman said, Mr. Advani, I have conveyed your request to the Prime Minister. Go ahead." (*Interruptions*)

SHRI DIPEN GHOSH: Afterwards. Subsequent references are there.

On a point of order, Madam Deputy Chairman. (*Interruptions*) The Minister of state is temporarily in charge of Finance (*Interruptions*).

AN HON. MEMBER: What do you mean by temporary?

SHRI DIPEN GHOSH: All right. If you are satisfied, I can give permanency to Mr. Brahm Dutt. The Minister of State for Finance, Mr. Brahm Dutt, had made a statement on the 31st of March in the other House.

SHRI BRAHM DUTT: I have made a statement even today.

SHRI DIPEN GHOSH: I am not making the point of order to the Minister of State. I am pressing my point of order before Madam Deputy Chairman.

SHRI VIRENDRA VERMA (Uttar Pradesh): There is a specific assurance from the Chairman.

SHRI DIPEN GHOSH: The Minister of State made a statement on the 31st of March. In that statement it was stated that the FAIRFAX Group was not appointed and that the issue emanated from a misunderstanding. (*Interruptions*). Just listen. Please keep quiet (*Interruptions*).

AN HON. MEMBER: He does not know what the procedure is.

SHRI DIPEN GHOSH: He made the statement. Just listen. Then he made a statement here:

> "According to information available with the Government the Directorate of Enforcement authorised the FAIRFAX Group Inc. of USA to collect information....."

This Minister has made a contradictory statement. (*Interruptions*) Let me formulate my point of order. Then you give your ruling.

Another Member, a legal luminary, belonging to the ruling party has stated while participating in this debate that entrusting of a job of enquiry to a private agency was violative of the Act, law and the Constitution. (*Interruptions*) Let me complete. The whole quesiton before the House is.....

THE DEPUTY CHAIRMAN: What is your point of order? Please raise that.

SHRI DIPEN GHOSH: इन लोगों में बात सुनने की हिम्मत नहीं, (व्यवधान) I am coming to that. The whole question before the House is whether the Prime Minister as the leader of the Cabinet and as the head of the team will discharge his collective responsibilty. We are not going to listen to any other person except Prime Minister (*Intetrruptions*).

आप को सुनना पड़ेगा। (व्यवधान) जो आपने कहा है उसका जवाब आपको सुनना पड़ेगा। (व्यवधान)

SHRI BRAHM DUTT: You must listen to me as I have made a statement here. You go out of the House, I do not mind. The question is I have made the statement and I will clarify your points. The Prime Minister is in the other House and as soon as he is free he will come here. Till such time you have to listen to me. You cannot deny me the freedom of speech. I am very sorry to say that the opposition has come to this stage... (*Interruptions*) ...I cannot be cowed down by you.

इनमें सुनने की हिम्मत नहीं है (व्यवधान) इनको अपने सवालों का जवाब सुनना पड़ेगा (व्यवधान)

This is not democratic

SHRI PARVATHANENI UPENDRA: Madam, I am on a point of order. ...(*Interruptions*).

श्री ब्रह्मदत्त : जब आपने सवाल उठाये हैं तो सुनने की हिम्मत होनी चाहिए (व्यवधान) इन्होंने कई सवाल उठाये हैं (व्यवधान) अडवाणी जी ने कई सवाल उठाये हैं उनके एक-एक सवाल का उत्तर देना चाहता हूं। सुनने की हिम्मत होनी चाहिए। (व्यवधान) सबसे पहले यह कहा गया था भ्रष्टाचार बढ़ रहा है तो मैं बताना चाहता हूं कि प्रधान मंत्री जी की जब नयी सरकार बनी थी तो यह फैसला किया गया था कि भ्रष्टाचार को समाप्त करेंगे (व्यवधान)। एन्टी डिफेक्शन बिल लाकर

इस चीज को समाप्त किया गया । (व्यवधान) दूसरे यह कहा था... (व्यवधान) समाप्त करेंगे तो उसकी तरफ भी कदम उठाया जा रहा है... (व्यवधान)

SHRI DIPEN GHOSH: Madam, you adjourn the House till the Prime Minister comes... (*Interruptions*)...

THE DEPUTY CHAIRMAN: Now the House stands adjourned.

Tht House then adjourned at fifty minutes past five of the clock.

The House reassembled at seven of the clock, **The Deputy Chairman** in the the Chair 7.00 p.m.

THE DEPUTY CHAIRMAN: In the Lok Sabha, the No-Confidence Motion against the Speaker is being discussed, and therefore, the Prime Minister is sitting there. In the meantime, Mr. Brahm Dutt may continue with his reply and if time permits, he would come and intervene. (*Interruptions*)

SHRI PARVATHANENI UPENDRA: Madam, I am on a point of order. There cannot be a reply before P. M. intervenes.

THE DEPUTY CHAIRMAN: No interruption please now. Let him continue with his reply. (*Interruptions*).

SHRI DIPEN GHOSH: Madam, you are over-ruling the Chairman's ruling. (*Interruptions*)

श्री ब्रह्म दत्त : माननीया, मैं यह निवेदन करना चाहता हूं कि राजीव गांधी की सरकार ने राजनैतिक व आर्थिक भ्रष्टाचार व अपराधों को समाप्त करने का फैसला किया । यह कार्यवाही दृढ़तापूर्वक जारी रहेगी । फैयरफैक्स ग्रुप को कुछ सूचना देने के लिये कहा गया था । उसी के आधार पर उन्हें पैसा दिया जाना था, जैसा साधारण इनफारमर के साथ होता है । उन्होंने कोई सूचना नहीं दी । न हमने कुछ सूचना उन्हें दी । न उन्हें कोई पैसा दिया गया । न किसी को पैसा देने का अधिकार दिया गया । यदि किसी ने अनधिकृत रूप से दिया है तो उसके विरुद्ध कार्यवाही होगी । आर्थिक अपराधियों के खिलाफ सख्त कार्यवाही की जा रही है । हमारी सब एजेंसीज मिल कर यह काम कर सकती हैं । हमें यह नहीं भूलना है कि भारत की सही आर्थिक नीति व स्थिरता के कारण यह देश सब के लिये आकर्षण का केंद्र बन गया है । इसे नीचे गिराने की कोशिश मत करिये । हर्षमैन क्या कहता है, उसका कोई महत्व नहीं है । केवल आप उसका विश्वास करते हैं । आडवानी जी ने सवाल पूछे हैं । कुल 63 लोगों ने फेरा एमनेस्टी में घोषणा की । रिजर्व बैंक उसकी जांच कर रहा है । सरकार आर्थिक अपराधियों के विरुद्ध सख्त कार्यवाही कर रही है । हमारी आर्थिक नीति भारत में ही धन लगाने को बढ़ावा देगी । फेयरफैक्स के लोगों की हैसियत एक इनफारमर की थी । जो भी सूचना देता है उसे इनाम दिया जाता है । फेयरफैक्स ने किसी भी कम्पनी के या व्यक्ति के बारे में कोई सूचना नहीं दी, न राजनैतिक नेताओं के बारे में । केवल एक कम्पनी के कागज उनके मार्फत आए । उनके जो बयान आ रहे हैं, वे बेबुनियाद हैं और उनका कोई महत्व नहीं है । न्यायिक जांच आयोग से सच्चाई सामने आएगी । श्री भाटिया ने कानूनी सवाल उठाये हैं, उनका भी उत्तर मिल जायेगा । हमने सब तथ्य सामने रख दिये हैं । तब भी बात उठती रही । तमाम शंकाओं को समाप्त करने के लिये सरकार ने यह न्यायिक जांच आयोग बनाया है । इसकी रिपोर्ट संसद् के सामने आयेगी यदि किसी के पास कोई सूचना हो, वह आयोग को देवे । सरकार सब कागजात आयोग को उपलब्ध करायेगी । इससे बड़ी उचित कार्यवाही सच्चाई को सामने लाने के लिये नहीं की जा सकती थी । हमने संसद् में भी सब उपलब्ध तथ्य रख दिये हैं ।

मैंने जो कहा है, वह उपलब्ध सूचनाओं के आधार पर है । फेयरफैक्स की हैसियत के बारे में भूतपूर्व वित्त मंत्री जी की भी यह राय थी । वह यदि सूचना देंगे तब पैसा दिया जाएगा । यद्यपि उन्होंने खासतौर पर फेयरफैक्स की बात कहीं नहीं लिखी । यदि किसी ने भी फेरा की प्रक्रिया का उल्लंघन किया है, वह सिद्ध होने पर उसके विरुद्ध कार्यवाही की जाएगी । श्री राजीव गांधी

[श्री ब्रह्म दत्त]

की सरकार राजनैतिक व आर्थिक भ्रष्टाचार समाप्त करने के लिये दृढ़ संकल्प है ।

THE DEPUTY CHAIRMAN: The House stands adjourned till 11.00 A.M. tomorrow.

The House then adjourned at five minutes past seven of the clock, till eleven of the clock, on Thursday, the 16th April, 1987.